

1944, 1945, 1946 OSS

APPROPRIATION ACTS

AND RELATED DATA

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U. S. GOVERNMENT ORGANIZATION MANUAL

NATIONAL INTELLIGENCE AUTHORITY - Established by Presidential directive of Jan. 22, 1946, to plan, develop, and coordinate Federal foreign intelligence activities related to national security. Ceased to exist upon creation of Central Intelligence Agency under National Security Council by National Security Act of 1947 (sec. 102, 61 Stat. 497; 50 U. S. C. 403). Personnel, property, and records of Central Intelligence Group transferred to Central Intelligence Agency and such group ceased to exist.

U. S. GOVERNMENT ORGANIZATION MANUAL

OFFICE OF STRATEGIC SERVICES - By Military Order of June 13, 1942, the Office of Coordinator of Information (see appendix A), exclusive of foreign information activities transferred to Office of War Information by EO 9182 of June 13, 1942, was designated Office of Strategic Services and transferred to jurisdiction of Joint Chiefs of Staff. Functions as modified by EO 9312 of Mar. 9, 1943, were to collect and analyze such strategic information as required by Joint Chiefs of Staff for military operations and planning and conducting special operations not assigned to other Government agencies, EO 9621 of Sept. 20, 1945, provided for termination of Office of Strategic Services, effective Oct. 1, 1945, and for distribution of its functions to Department of State and War Department.

U. S. GOVERNMENT ORGANIZATION MANUAL

COORDINATOR OF INFORMATION - Established by Presidential order of July 11, 1941, to collect, analyze, and correlate information and data bearing on national security, to make such data available to the President and such other officials as determined by the President, and to perform related supplementary activities. Exclusive of foreign information activities, transferred by military order of June 13, 1942, to jurisdiction of Joint United States Chiefs of Staff, to be known as Office of Strategic Services (see appendix A). Foreign information activities transferred to Office of War Information (see appendix A) by EO 9182 of June 13, 1942.

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1944
Fiscal Year

[PUBLIC LAW 139—78TH CONGRESS]
[CHAPTER 228—1ST SESSION]
[H. R. 2968]

AN ACT

Making appropriations for war agencies in the Executive Office of the President for the fiscal year ending June 30, 1944, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the support of war agencies in the Executive Office of the President for the fiscal year ending June 30, 1944, and for other purposes, namely:

EXECUTIVE OFFICE OF THE PRESIDENT

BOARD OF ECONOMIC WARFARE

Salaries and expenses: For all expenses necessary to enable the Board of Economic Warfare to carry out its functions and activities, including salaries of an Executive Director at \$10,000 per annum and four assistants to the Executive Director at \$9,000 per annum each, and other personal services (including aliens) in the District of Columbia and elsewhere; the acceptance and utilization of voluntary and uncompensated services; the temporary employment of persons or organizations by contract or otherwise without regard to the civil-service and classification laws or section 3709 of the Revised Statutes (41 U. S. C. 5); procurement of services, supplies, and equipment (1) outside the United States without regard to section 3709, Revised Statutes, and 3648, Revised Statutes (31 U. S. C. 529), including the rental of office space and contracts for utility services for periods of two years in any foreign country where required by local custom or practice, and (2) within the United States without regard to section 3709, Revised Statutes, when the amount involved in any one case does not exceed \$300; travel expenses (not exceeding \$300,000 for travel within the continental limits of the United States), including (1) expenses of attendance at meetings of organizations concerned with the work of the Board, (2) actual transportation and other necessary expenses, and not to exceed \$10 per diem in lieu of subsistence of persons serving while away from their homes without other compensation from the United States, in an advisory capacity to the Board, (3) payment to the Chairman and the Executive Director of the Board of actual and necessary transportation, subsistence, and other expenses incidental to the performance of their duties, and (4) expenses outside the United States without regard to the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821), and section 901 of the Act of June 29, 1936 (46 U. S. C. 1241), and (5) when specifically authorized or approved by the Executive Director of the Board or such other official as he may

designate for the purpose, expenses of employees of the Board, including the transportation of their effects (in accordance with the Act of October 10, 1940), to their first post of duty in a foreign country, or when transferred from one official station to another, and return to the United States; payment of living and quarters allowances to personnel stationed outside the United States in accordance with the regulations approved by the President on December 30, 1942; advances of money, upon the furnishing of bond, to employees of the Board traveling in a foreign country, in such sums as the Executive Director of the Board shall direct; reimbursement of employees of the Board for loss of personal effects in case of marine or aircraft disaster; preparation and transportation of the remains of officers and employees who die abroad or in transit while in the dispatch of their official duties, to their former homes in this country or to a place not more distant for interment, and for the ordinary expenses of such interment; purchase and exchange of lawbooks and books of reference; the rental of news-reporting services; the purchase of, or subscription to, commercial and trade reports, newspapers, and periodicals; maintenance, operation, repair, and hire of motor-propelled or horse-drawn passenger-carrying vehicles; and printing and binding (not exceeding \$100,000); \$36,150,000, of which amount such sums as may be authorized by the Director of the Bureau of the Budget may be transferred to other departments or agencies of the Government for the performance by them of any of the functions or activities for which this appropriation is made, but no other agency of the Government shall perform work or render services for the Board of Economic Warfare, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor, in accordance with regulations issued by the Director of the Bureau of the Budget shall have been obtained in advance: *Provided*, That such sums as are included in this appropriation for special projects (classified in the estimates submitted to Congress as or under "Other contractual services") may be expended for travel expenses, printing and binding, and purchase of motor-propelled passenger-carrying vehicles without regard to the limitations specified for such objects under this appropriation but within such amounts as the Director of the Bureau of the Budget may approve therefor and such Director shall report to Congress each such limitation determined by him: *Provided further*, That not to exceed \$10,000,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Executive Director, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein certified.

Payments for articles and materials requisitioned: For the purpose of making payments to the owners thereof for articles requisitioned under authority of the Acts of October 10, 1940, and October 16, 1941, as amended (50 U. S. C. App. 711 and 721), the unexpended balance as of June 30, 1943, of the fund consisting of (1) the allocation of \$200,000 to the Economic Defense Board from the emergency fund for the President by letter of November 26, 1941, and (2) the receipts credited to said appropriation by said Act of October 10, 1940, as amended and reallocated for the same purpose by said letter of

allocation, is hereby continued available to the Board of Economic Warfare for the fiscal year 1944: *Provided*, That receipts of the sales of articles requisitioned by said Board under authority of said Act of October 16, 1941, shall be deposited to the credit of this fund and be immediately available for the purposes thereof.

No part of any funds appropriated or made available herein to the Board of Economic Warfare shall be used after August 15, 1943, directly or indirectly for the procurement of services, supplies, or equipment outside the United States except for the purpose of executing general economic programs or policies formally approved in writing by a majority of the Board and such writing has been filed with the Secretary of State prior to any such expenditure.

OFFICE OF CENSORSHIP

Salaries and expenses: For all expenses necessary to enable the Office of Censorship to perform the functions and duties prescribed by the President, including personal services in the District of Columbia and elsewhere; the employment of aliens as examiners or translators; the employment of a Director and a Deputy Director at not exceeding \$10,000 and \$9,000 per annum respectively; the acceptance and utilization of voluntary and uncompensated services; not to exceed \$20,000 for temporary employment, without regard to civil-service and classification laws; expenses of attendance at meetings of organizations concerned with the work of the Office; traveling expenses (not to exceed \$175,500), including not to exceed \$10 per diem in lieu of subsistence and other expenses of persons serving as advisers while away from their homes without other compensation from the United States; payment of living and quarters allowances to personnel stationed outside the continental limits of the United States in accordance with the Standardized Regulations Dated December 30, 1942; printing and binding (not to exceed \$355,000); hire, maintenance, and repair of automobiles; purchase of guard uniforms, lawbooks, books of reference, newspapers, and periodicals; purchase of gloves, aprons, and other items necessary for protection from chemicals and other laboratory materials and equipment; \$27,800,000: *Provided*, That section 3709 of the Revised Statutes shall not be construed to apply to any purchase made by or service rendered for the Office of Censorship outside the continental limits of the United States when the aggregate amount involved in such case does not exceed \$500.

PETROLEUM ADMINISTRATION FOR WAR

Salaries and Expenses: For all necessary expenses of the Petroleum Administration for War in performing its functions as prescribed by the President (Fed. Reg., December 4, 1942), including personal services in the District of Columbia; not to exceed \$600,000 for personal services without regard to the civil service and classification laws; printing and binding not to exceed \$15,000; traveling expenses not to exceed \$320,000, including attendance at meetings of organizations concerned with the purposes of this appropriation, and actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons serving in an advisory capacity to

the Administrator while away from their homes without other compensation from the United States; contract stenographic reporting services; books of reference, newspapers, and periodicals; purchase (not to exceed \$12,000), maintenance, repair, and operation of passenger-carrying automobiles; \$5,473,000: *Provided*, That section 3709, Revised Statutes, shall not apply to any purchase or service rendered under this appropriation when the aggregate amount involved does not exceed \$300.

OFFICE OF PRICE ADMINISTRATION

Salaries and expenses: For all necessary expenses of the Office of Price Administration in carrying out the provisions of the Emergency Price Control Act of 1942, as amended by the Act of October 2, 1942 (50 U. S. C. App. 901), and the provisions of the Act of May 31, 1941 (55 Stat. 236), as amended by the Second War Powers Act, 1942 (50 U. S. C. App. 622), and all other powers, duties, and functions which may be lawfully delegated to the Office of Price Administration, including personal services in the District of Columbia and elsewhere; expenses of in-service training of employees, including salaries and traveling expenses of instructors; not to exceed \$55,000 for the employment of aliens; not to exceed \$30,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to section 3709, Revised Statutes, or the civil-service and classification laws; contract stenographic reporting services; witness fees; purchase of lawbooks, books of reference, newspapers, and periodicals; printing and binding (not to exceed \$1,830,815, which limitation shall not apply to the printing of forms, instructions, regulations, and coupon books incidental to the rationing of commodities); maintenance, repair, and operation of passenger-carrying vehicles; traveling expenses (not to exceed \$7,250,000), including (1) attendance at meetings of organizations concerned with the work of the Office of Price Administration, (2) actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons serving while away from their homes in an advisory capacity without other compensation from the United States, or at \$1 per annum, (3) reimbursement, at not to exceed 3 cents per mile, of employees for expenses incurred by them in official travel in privately owned automobile within the limits of their official stations, (4) expenses of appointees from point of induction in continental United States to their first post of duty in the Territories, and (5) expenses to and from their homes or regular places of business in accordance with the Standardized Government Travel Regulations, including travel in privately owned automobile (and including per diem in lieu of subsistence at place of employment), of persons employed intermittently away from their homes or regular places of business as consultants and receiving compensation on a per diem when actually employed basis; \$155,000,000, of which sum not less than \$56,000,000 shall be allocated for direct obligations of local war price and rationing boards; sums under such appropriation of \$155,000,000 may be transferred to other departments or agencies of the Government for the performance by them of any of the functions or activities for which this appropriation is made, but unless otherwise

authorized by law no other agency of the Government shall perform work or render services for the Office of Price Administration, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance: *Provided*, That sums set apart for special projects (classified in the estimates submitted to Congress as or under "Other contractual services") may be expended for travel expenses, and printing and binding without regard to the limitations herein specified for such objects, but within such amounts as the Director of the Bureau of the Budget may approve therefor and such Director shall report to Congress each such limitation determined by him: *Provided further*, That no part of this appropriation shall be used for the compensation of any officer, agent, clerk, or other employee of the United States who shall divulge or make known in any manner whatever to any person the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any questionnaire, report, return, or document, required or requested to be filed by order or regulation of the Administrator or to permit any questionnaire, report, return, or document or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; nor for any person who shall print or publish in any manner whatever, except as hereinafter provided, any questionnaire, report, return, or document or any part thereof or source of income, profits, losses, expenditures, or methods of doing business, appearing in any questionnaire, report, return, or document: *Provided further*, That the foregoing provisions shall not be construed to prevent or prohibit the publication or disclosure of studies, graphs, charts, or other documents of like general character wherein individual statistics or the source thereof is not disclosed or identified directly or indirectly nor to prevent the furnishing in confidence to the War Department, the Navy Department, or the United States Maritime Commission, such data and information as may be requested by them for use in the performance of their official duties: *Provided further*, That no part of this appropriation shall be available for making any subsidy payments: *Provided further*, That no part of this appropriation shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity, including milk and its products and livestock, unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942, as amended by Public Law Numbered 729, approved October 2, 1942; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said Act as amended; and (3) the Secretary of Agriculture has determined after investigation and proclaimed that the maximum price or prices so established on any such agricultural commodity, including milk and its product and livestock, will reflect to the pro-

ducer of such agricultural commodity a price in conformity with section 3 (c) of said Act as amended: *Provided further*, That such maximum price or prices shall conform in all respects to the provisions of section 3 of Public Law Numbered 729 approved October 2, 1942: *Provided further*, That any employee of the Office of Price Administration is authorized and empowered, when designated for the purpose by the head of the agency, to administer to or take from any person an oath, affirmation, or affidavit when such instrument is required in connection with the performance of the functions or activities of said Office: *Provided further*, That no part of this appropriation shall be directly or indirectly used for the payment of the salary or expenses of any person who directs the formulation of any price policy, maximum price, or price ceiling with respect to any article or commodity unless, in the judgment of the Administrator, such person shall be qualified by experience in business, industry, or commerce; but this limitation shall not apply to the Administrator or Acting Administrator as the case may be, in considering, adopting, signing, and promulgating price policies, maximum prices, or price ceilings formulated and prepared in compliance herewith: *Provided further*, That no part of this appropriation shall be used for the promulgation or enforcement of orders requiring grade labelling or standardization of food products, wearing apparel or other processed or manufactured commodities or articles.

OFFICE OF STRATEGIC SERVICES

Salaries and expenses: For all expenses necessary to enable the Office of Strategic Services to carry out its functions and activities, including salaries of a Director at \$10,000 per annum, one assistant director and one deputy director at \$9,000 per annum each; utilization of voluntary and uncompensated services; procurement of necessary services, supplies and equipment without regard to section 3709, Revised Statutes; travel expenses, including (1) expenses of attendance at meetings of organizations concerned with the work of the Office of Strategic Services, (2) actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons serving while away from their homes without other compensation from the United States in an advisory capacity, and (3) expenses outside the United States without regard to the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821-833), and section 901 of the Act of June 29, 1936 (46 U. S. C. 1241); preparation and transportation of the remains of officers and employees who die abroad or in transit, while in the dispatch of their official duties, to their former homes in this country or to a place not more distant for interment, and for the ordinary expenses of such interment; purchase and exchange of law-books and books of reference; rental of news-reporting services; purchase of or subscription to commercial and trade reports, newspapers, and periodicals; the rendering of such gratuitous services and the free distribution of such materials as the Director deems advisable; purchase or rental and operation of photographic, reproduction, duplicating and printing machines, equipment, and devices and radio-receiving and radio-sending equipment and devices; maintenance, operation, repair, and hire of motor-propelled or horse-drawn passenger-carry-

ing vehicles and vessels of all kinds; printing and binding; payment of living and quarters allowances to employees with official headquarters located abroad in accordance with regulations approved by the President on December 30, 1942; exchange of funds without regard to section 3651, Revised Statutes (31 U. S. C. 543); purchase and free distribution of firearms, guard uniforms, special clothing, and other personal equipment; the use of and payment for compartments or other superior accommodations considered necessary by the Director of Strategic Services or his designated representatives for security reasons or the protection of highly technical and valuable equipment; \$35,000,000, of which amount such sums as may be authorized by the Director of the Bureau of the Budget may be transferred to other departments or agencies of the Government, either as advance payment or reimbursement of appropriation, for the performance of any of the functions or activities for which this appropriation is made: *Provided*, That \$23,000,000 of this appropriation may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds or the employment of persons in the Government service, and \$21,000,000 of such \$23,000,000 may be expended for objects of a confidential nature, such expenditures to be accounted for solely on the certificate of the Director of the Office of Strategic Services and every such certificate shall be deemed a sufficient voucher for the amount therein certified.

EXECUTIVE OFFICE OF THE PRESIDENT—OFFICE FOR EMERGENCY MANAGEMENT

DIVISION OF CENTRAL ADMINISTRATIVE SERVICES

Salaries and Expenses: For all necessary expenses of the Division of Central Administrative Services, including traveling expenses (not to exceed \$165,000); printing and binding (not to exceed \$100,000); \$8,817,200: *Provided*, That there may be transferred to this appropriation from appropriations available to the constituent agencies of the Office for Emergency Management and to the Office of Price Administration such amounts as may be necessary for the procurement of supplies, equipment, and services for such agencies and such Administration, and funds so transferred shall be consolidated with and shall be expendable in the same manner as this appropriation: *Provided further*, That the constituent agencies (except the War Shipping Administration) of the Office for Emergency Management and the Office of Price Administration shall not establish, in the District of Columbia or in the field, fiscal, procurement, space allocation or procurement, duplicating, distribution, communication, or other general services, wherever the Director of the Bureau of the Budget determines that the Division of Central Administrative Services can render any such service.

Working capital fund: For the establishment of a working capital fund, \$750 000, without fiscal year limitation, for the payment of salaries and other expenses necessary to the maintenance and operation of central duplicating and office and laboratory photographic services in the District of Columbia and elsewhere for the constituent agencies of the Office for Emergency Management and the Office of Price Administration; said fund to be reimbursed from applicable funds

of the agencies for which services are performed, on the basis of rates which shall include estimated or actual charges for personal services, materials, equipment (including maintenance, repairs, and depreciation) and other expenses: *Provided*, That a separate schedule of expenditures and reimbursements and a statement of the current assets and liabilities of the working capital fund as of the close of the last completed fiscal year shall be included in the annual Budget.

OFFICE OF CIVILIAN DEFENSE

Salaries and expenses: For all necessary expenses of the Office of Civilian Defense, including salary of the Director at not to exceed \$10,000 per annum; traveling expenses (not to exceed \$550,000); and printing and binding (not to exceed \$200,000); \$4,000,000.

Civilian Defense: Not to exceed \$10,500,000 of the unexpended balance of \$100,000,000 contained in the First Deficiency Appropriation Act, 1942, is hereby continued available until June 30, 1944, for the same objects and purposes, including the obligations chargeable to said appropriation, and subject to the same conditions and limitations: *Provided*, That the total amount available for administrative expenses for the fiscal year 1944 shall not exceed \$700,000.

The appropriations herein made for the Office of Civilian Defense shall constitute the total amount to be available for obligation by such agency during the fiscal year 1944 and shall not be supplemented by funds from any Federal source.

OFFICE OF THE COORDINATOR OF INTER-AMERICAN AFFAIRS

Salaries and expenses: For all necessary expenses of the Office of the Coordinator of Inter-American Affairs (hereafter referred to as the Coordinator), including not to exceed \$30,000 for the temporary employment of persons or organizations by contract or otherwise without regard to the civil-service and classification laws; employment of aliens; travel expenses, not to exceed \$150,000; printing and binding, not to exceed \$12,500; entertainment of officials and others of the other American republics; payment to employees with official headquarters outside the continental limits of the United States, in accordance with the Standardized Regulations prescribed by the President on December 30, 1942, of living and quarters allowances; grants of money or property to governmental and public or private nonprofit institutions and facilities in the United States and the other American republics; the free distribution, donation, or loan of publications, phonograph records, radio scripts, radio transcriptions, art works, motion-picture scripts, motion-picture films, educational material, and such material and equipment as the Coordinator may deem necessary and appropriate to carry out his program; such other gratuitous assistance as the Coordinator deems advisable in the fields of the arts and sciences, education and travel, publications, the radio, the press, and the cinema; expenses of transporting employees of the Office of the Coordinator and their effects from their homes to their places of employment in the other American republics, or from their homes in the other American republics to their places of employment, and return, when specifically authorized by the Coordinator; travel expenses of dependents and transportation of personal effects, from

their places of employment to their homes in the United States or in the possessions of the United States or in the other American republics, of employees for whom such expenses were paid by the Government on their assignment to posts in foreign countries; causing corporations to be created under the laws of the District of Columbia, any State of the United States, or any of the other American republics, to assist in carrying out the Coordinator's program and capitalizing such corporations: *Provided*, That corporations heretofore or hereafter created or caused to be created by the Coordinator primarily for operation outside the continental United States shall determine and prescribe the manner in which their obligations shall be incurred and their expenses allowed and paid without regard to the provisions of law regulating the expenditure, accounting for and audit of Government funds, and may, in their discretion, employ and fix the compensation of officers and employees outside the continental limits of the United States without regard to the provisions of law applicable to the employment and compensation of officers and employees of the United States: *Provided further*, That the Coordinator shall transmit to the President immediately upon the close of the fiscal year a complete financial report of the operations of such corporations; \$30,735,000, and in addition thereto the Coordinator is authorized to enter into contracts during the fiscal years 1944 and 1945 in an amount not exceeding \$18,000,000 for obligations necessary for and incident to his program: *Provided further*, That not to exceed \$300,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Coordinator, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify and every such certificate shall be deemed a sufficient voucher for the amount therein certified: *Provided further*, That notwithstanding the provisions of section 3679, Revised Statutes (31 U. S. C. 665), the Coordinator is authorized in making contracts for the use of international short-wave radio stations and facilities, to agree on behalf of the United States to indemnify the owners and operators of such radio stations and facilities, from such funds as may be hereafter appropriated for the purpose, against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities.

OFFICE OF DEFENSE TRANSPORTATION

Salaries and expenses: For all necessary expenses of the Office of Defense Transportation, including traveling expenses (not to exceed \$1,250,000, including reimbursement, at not to exceed 3 cents per mile, of employees for official travel performed by them in privately owned automobiles within the limits of their official stations); printing and binding (not to exceed \$250,000, including not to exceed \$10,000 for printing and binding outside the continental limits of the United States without regard to provisions of law governing printing and binding (44 U. S. C. 111)); \$14,650,000.

OFFICE OF ECONOMIC STABILIZATION

Salaries and expenses: For all necessary expenses of the Office of Economic Stabilization established by Executive Order Numbered

9250, dated October 3, 1942, including salary of Economic Stabilization Director at \$15,000 per annum; temporary employment (not to exceed \$20,020) of persons or organizations by contract or otherwise, without regard to section 3709, Revised Statutes and Classification Act of 1923, as amended; traveling expenses (not to exceed \$10,660); and printing and binding (not to exceed \$2,000); \$100,000.

NATIONAL WAR LABOR BOARD

Salaries and expenses: For all necessary expenses of the National War Labor Board, including salaries at not to exceed \$10,000 per annum each for the four public members of the Board; travel expenses (not to exceed \$1,869,613); printing and binding (not to exceed \$37,400); actual transportation and other necessary expenses, and not to exceed \$25 per diem in lieu of subsistence, whether or not in a travel status, of other members, alternate members and associate members of the Board while serving as such without other compensation from the United States; \$14,091,300.

OFFICE OF SCIENTIFIC RESEARCH AND DEVELOPMENT

Salaries and expenses: For all necessary expenses of the Office of Scientific Research and Development, including the purchase of reports, documents, plans, or specifications; the employment by contract or otherwise, without regard to civil-service or classification laws, at not to exceed \$25 per day, of engineers, scientists, civilian analysts, technicians, or other necessary professional personnel; and printing and binding, \$135,982,500: *Provided*, That there may be paid from this appropriation to the National Academy of Sciences a sum not exceeding \$150,000 for the administrative and overhead expenses incurred by said academy during the fiscal year 1944 in carrying out research projects for Federal agencies, and such sum shall be in addition to any reimbursement otherwise provided for: *Provided further*, That notwithstanding the provisions of section 3679 of the Revised Statutes (31 U. S. C. 665), the Office of Scientific Research and Development is authorized, in making contracts for the conduct of investigations or experiments, to agree on behalf of the United States to indemnify the contractor from such funds as may be hereafter appropriated for the purpose, against loss or damage to persons or property arising from such work: *Provided further*, That funds available to any agency of the Government for scientific, technical, or medical research, development, testing, construction of test models, experimental production, or the provision of facilities therefor, shall be available for transfer with the approval of the head of the agency involved, in whole or in part, to the Office of Scientific Research and Development, and funds so transferred shall be expendable in the same manner as this appropriation: *Provided further*, That the Director of the Office of Scientific Research and Development may sell, lease, lend, or otherwise dispose of, under such terms and conditions as he may deem advisable, devices, scientific or technical equipment, models, or other articles of personalty, developed, constructed, produced in or purchased for the performance of its scientific or medical contracts, except articles acquired for administrative purposes, and all receipts from such disposition to nongovernmental agencies shall be covered into the Treasury as miscellaneous receipts.

OFFICE OF WAR INFORMATION

Salaries and expenses: For all necessary expenses of the Office of War Information, including the employment of a Director and Associate Director at not exceeding \$12,000 and \$10,000 per annum, respectively; not to exceed \$75,000 for the temporary employment in the United States of persons by contract or otherwise without regard to the civil service and classification laws; employment of aliens; employment of persons outside the continental limits of the United States without regard to the provisions of law applicable to the employment and compensation of officers and employees of the United States; travel expenses (not to exceed \$400,000 for travel within the continental limits of the United States), including such expenses outside the continental limits of the United States without regard to the Standardized Government Travel Regulations and the Subsistence Expense Act and section 901 of the Act of June 29, 1936 (49 Stat. 2015); expenses of transporting employees and their effects from their homes to their places of employment in a foreign country and return to the United States; purchase of radio time and purchase or rental of facilities for radio transmission; purchase, rental, construction, improvement, maintenance, and operation of facilities for radio transmission, including real property, outside the continental limits of the United States, without regard to the provisions of section 355, Revised Statutes (40 U. S. C. 255) and other provisions of law affecting the purchase or rental of land and the construction of buildings thereon; advertising in foreign newspapers without regard to section 3828, Revised Statutes (44 U. S. C. 324); printing and binding (not to exceed \$1,400,000, for such expenses within the continental limits of the United States), including printing and binding outside the continental limits of the United States without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); purchase or rental and operation of photographic, reproduction, printing, duplicating, communication, and other machines, equipment, and devices; payment to employees with official headquarters outside the continental limits of the United States, in accordance with the Standardized Regulations prescribed by the President on December 30, 1942, of living and quarters allowances; exchange of funds without regard to section 3651, Revised Statutes; purchase of twenty-four motor-propelled passenger-carrying vehicles for use outside the continental limits of the United States, may be acquired without regard to statutory limitations as to price and authority to purchase; acquisition, production, and free distribution of publications, phonograph records, radio transcriptions, motion-picture films, photographs and pictures, educational materials, and such other items as the Director may deem necessary to carry out the program of the Office of War Information, and sale or rental of such items by contract or otherwise to firms or individuals for use outside the continental limits of the United States; such gratuitous expenses of travel and subsistence as the Director deems advisable in the fields of education, travel, radio, press, and cinema; not to exceed \$175,000 for entertainment of officials of other countries; payment of the United States share of the expenses of the maintenance, in cooperation with any other of the United Nations, of an organization designed to receive and disseminate

nate information relative to the prosecution of the war; \$33,222,504: *Provided*, That, exclusive of amounts for unvouchered funds and the contingency fund, not more than \$24,000,000 (including living and quarters allowances) shall be allocated to the Overseas Operations Branch and not more than \$2,750,000 shall be allocated to the Domestic Operations Branch for the following functions only: Office of the Director, including book and magazine coordination sections; Office of Program Coordination; News Bureau; Bureau of Special Services; Radio Bureau; Motion Picture Bureau, not exceeding \$50,000; and for accumulated leave of eliminated employees, for liquidation of organization units herewith reduced or discontinued, and for carrying out partly completed contracts made in organization units herewith reduced or eliminated, not exceeding \$500,000: *Provided further*, That notwithstanding the provisions of section 3679, Revised Statutes (81 U. S. C. 665), the Office of War Information is authorized in making contracts for the use of international short-wave radio stations and facilities, to agree on behalf of the United States to indemnify the owners and operators of said radio stations and facilities from such funds as may be hereafter appropriated for the purpose, against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities: *Provided further*, That not to exceed \$600,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Director, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify and every such certificate shall be deemed a sufficient voucher for the amount therein certified: *Provided further*, That \$5,000,000 of this appropriation shall not be available for expenditure unless the Director of the Office of War Information, with the approval of the President, shall determine that such funds in addition to the other funds provided herein are necessary for carrying on activities in conjunction with actual or projected military operations.

No part of this or any other appropriation shall be expended by the Office of War Information for the preparation, or publication of any pamphlet or other literature for distribution to the public within the United States.

The appropriation herein made for the Office of War Information shall constitute the total amount to be available for obligation by such agency during the fiscal year 1944 and shall not be supplemented by funds from any source.

OFFICE OF WAR MOBILIZATION

Salaries and expenses: For all necessary expenses of the Office of War Mobilization, including salary of the Director at \$15,000 per annum; salaries of two Assistant Directors at \$9,000 per annum each; not to exceed \$30,000 for the temporary employment of persons or organizations by contract or otherwise without regard to section 3709, Revised Statutes, or the civil-service and classification laws and printing and binding; \$138,000.

WAR PRODUCTION BOARD

Salaries and expenses: For all necessary expenses of the War Production Board, including salary of the Chairman at \$15,000 per annum; not to exceed \$50,000 for the employment of aliens; not to exceed \$10,000 for the employment of expert witnesses and not to exceed \$100,000 for the temporary employment of persons (including aliens) or organizations, by contract or otherwise, without regard to the civil-service or classification laws; reimbursement at not to exceed 3 cents per mile, of employees for expenses incurred by them in performance of official travel in privately owned automobiles within the limits of their official stations; not to exceed \$8,000,000 for travel expenses, including travel outside the United States without regard to the Standardized Government Travel Regulations; not to exceed \$2,025,000 for printing and binding; not to exceed \$17,000 for the purchase of motor-propelled passenger-carrying vehicles; not to exceed \$11,000,000 for scientific research on materials, material substitutes, and other subjects related to the functions of the Board, without regard to section 3648, Revised Statutes; and the rental, maintenance, and operation of one airplane; \$89,267,720: *Provided*, That not more than \$203,720 of this sum shall be allocated for salaries of the Information Division.

Smaller War Plants Corporation, administrative expenses: Not to exceed \$12,006,000 of the funds of the Smaller War Plants Corporation, acquired in accordance with the Act of June 11, 1942 (Public Law 603), shall be available for the administrative expenses of said Corporation necessary to enable it to carry out the functions vested in it by such Act, to carry out the provisions of section 2 of such Act, and such other functions as may be lawfully delegated to it; including not to exceed \$1,000,000 for the temporary employment of persons or organizations by contract or otherwise without regard to the civil-service and classification laws for special services, including audits notwithstanding section 5 of the Act of April 6, 1914 (5 U. S. C. 55); printing and binding; reimbursement, at not to exceed 3 cents per mile, of employees for expenses incurred by them in performance of official travel in privately owned automobiles within the limits of their official stations; the hire of motor-propelled passenger-carrying vehicles; and the objects specified in the general provisions applicable to the constituent agencies under the Office for Emergency Management: *Provided*, That, as determined by the Board of Directors, or such officer as may be designated by the Board of Directors for the purpose, expenditures (including expenditures for services performed on a force account or contract or fee basis) necessary in acquiring, operating, maintaining, improving, or disposing of real or personal property belonging to the Corporation or in which it has an interest (except property acquired for the administrative purposes of the Corporation), including expenses of collections of pledged collateral and expenses of service and administration of its loans, advances, and property under section 6 of said Act, shall not be considered as administrative expenses for the purposes hereof: *Provided further*, That no part of said \$12,006,000 shall be obligated or expended unless

and until an appropriate appropriation account shall have been established therefor pursuant to an appropriation warrant or a covering warrant, and all such expenses shall be accounted for and audited in accordance with the Budget and Accounting Act.

WAR RELOCATION AUTHORITY

Salaries and expenses: For all necessary expenses of the War Relocation Authority, \$48,170,000, including expenses incident to the extension of the program provided for in Executive Order 9102 to persons of Japanese ancestry not evacuated from military areas; salary of the Director at not to exceed \$10,000 per annum; not to exceed \$25,000 for the employment of persons or organizations, by contract or otherwise, without regard to the civil-service and classification laws; employment of aliens; traveling expenses, not to exceed \$400,000; printing and binding, not to exceed \$48,000; procurement, without regard to section 3709, Revised Statutes, of supplies and equipment; purchase (not to exceed \$12,175) of passenger-carrying automobiles; the leasing to others of land acquired for the program; transfer of household goods and effects as provided by the Act of October 10, 1940, including travel expenses, of employees transferred from other Federal agencies to the Authority at its request; not to exceed \$75,000 for payment to States or political subdivisions thereof, or other local public taxing units, of sums in lieu of taxes against real property acquired by the Authority for the purposes hereof; for payments for the performance of governmental services required in connection with the administration of the program; the disposal, by public or private sale, of goods or commodities produced or manufactured in the performance of activities hereunder, the proceeds of which shall be deposited in a special fund and thereafter shall remain available until expended for the purposes hereof: *Provided*, That the provisions of the Act of February 15, 1934 (48 Stat. 351), as amended, relating to disability or death compensation and benefits, shall apply to persons receiving from the United States compensation in the form of subsistence, cash advances, or other allowances in accordance with regulations prescribed by the Director of the War Relocation Authority for work performed in connection with such program, including work performed in the War Relocation Work Corps: *Provided further*, That this provision shall not apply in any case coming within the purview of the workmen's compensation laws of any State, Territory, or possession, or in which the claimant has received or is entitled to receive similar benefits for injury or death: *And provided further*, That the limitation placed on the amount available for travel expenses for the War Relocation Authority shall not apply to travel of evacuees and their escorts incident to transfers and relocation.

WAR SHIPPING ADMINISTRATION

War Shipping Administration, revolving fund: To increase the War Shipping Administration revolving fund, \$2,200,000,000, which amount, together with other funds heretofore or hereafter made available to such revolving fund, shall be available for carrying on all the

activities and functions of the War Shipping Administration (not provided for under other appropriations made to said Administration), under Executive order of February 7, 1942 (7 F. R. 837), and heretofore or hereafter lawfully vested in such Administration, including costs incidental to the acquisition, operation, loading, discharging, and use of vessels transferred for use of any department or agency of the United States, for carrying out the provisions of Executive Order Numbered 9112 of March 26, 1942, and for all administrative expenses (not to exceed \$9,650,000 in the fiscal year 1944), including the employment and compensation of persons in the District of Columbia and elsewhere, such employment and compensation to be in accordance with laws applicable to the employment and compensation of persons by the United States Maritime Commission except section 201 (b) of the Merchant Marine Act, 1936 (49 Stat. 1985); expenses of attendance, when specifically authorized by the Administrator, at meetings concerned with the work of the Administration; actual transportation and other necessary expenses and not to exceed \$25 per diem in lieu of subsistence of persons serving while away from their permanent homes or regular places of business in an advisory capacity to or employed by the Administration without other compensation from the United States or at \$1 per annum; printing and binding; lawbooks, books of reference, periodicals and newspapers; purchase, maintenance, repair, rental in foreign countries, and operation of passenger-carrying automobiles; travel expenses, including transportation of effects under regulations prescribed by the Administrator, of employees from their homes to their first post of duty in a foreign country; rent, including heat, light, and power, outside the District of Columbia; living and quarters allowances in accordance with the standardized regulations approved by the President December 30, 1942; necessary advance payments in foreign countries; and the employment, on a contract or fee basis, of persons, firms, or corporations for the performance of special services, including legal services, without regard to section 3709 of the Revised Statutes: *Provided*, That when vessels are transferred or assigned permanently by the War Shipping Administrator to other departments or agencies of the United States Government for operation by them, funds for the operation, loading, discharging, repairs, and alterations, or other use of such vessels may be transferred from this fund to the applicable appropriations of the department or agency concerned in such amounts as may be approved by the Director of the Bureau of the Budget.

Maritime training fund: For the training, recruitment, repatriation, rehabilitation, and placement of personnel for the manning of the merchant marine, and the establishment and maintenance of policies respecting maritime labor relations and conditions, and for administrative expenses (not to exceed \$2,600,000) including all the administrative items of expenditure for which the appropriation "War Shipping Administration, Revolving Fund" is available, \$72,000,000, of which \$5,500,000 shall be available for payment of obligations incurred in the fiscal year 1943:

State Marine Schools: To reimburse the State of California, \$50,000; the State of Maine, \$50,000; the State of Massachusetts, \$50,000; the State of New York, \$50,000; and the State of Pennsylvania, \$50,000; for expenses incurred in the maintenance and support of marine schools

in such States as provided in the Act authorizing the establishment of marine schools, and so forth, approved March 4, 1911, as amended (34 U. S. C. 1121-1123); and for the maintenance and repair of vessels loaned by the United States to the said States for use in connection with such State marine schools, \$100,000; in all, \$350,000.

GENERAL PROVISIONS

(a) The foregoing appropriations for the constituent agencies under the Office for Emergency Management shall be available, in addition to the objects specified under each head, and without regard to section 3709, Revised Statutes (except as otherwise specified herein), for personal services in the District of Columbia and elsewhere; contract stenographic reporting services; lawbooks, books of reference, newspapers and periodicals; maintenance, operation, and repair of motor-propelled passenger-carrying vehicles; acceptance and utilization of voluntary and uncompensated services; and traveling expenses, including expenses of attendance at meetings of organizations concerned with the work of the agency from whose appropriation such expenses are paid, and actual transportation and other necessary expenses, and not to exceed \$10 (unless otherwise specified) per diem in lieu of subsistence, of persons serving while away from their permanent homes or regular places of business in an advisory capacity to or employed by any of such agencies without other compensation from the United States, or at \$1 per annum, and including (upon authorization or approval of the head of any of such agencies) travel expenses to and from their homes or regular places of business in accordance with the Standardized Government Travel Regulations, including travel in privately owned automobile (and including per diem in lieu of subsistence at place of employment), of persons employed intermittently away from their homes or regular places of business as consultants and receiving compensation on a per diem when actually employed basis.

(b) Whenever sums are set apart from the foregoing appropriations for the constituent agencies under the Office for Emergency Management for special projects (classified in the estimates submitted to Congress as or under "Other contractual services") expenditures may be made therefrom for traveling expenses, printing and binding, and purchase of motor-propelled passenger-carrying vehicles without regard to the limitations specified for such objects under the respective heads, but within such amounts as the Director of the Bureau of the Budget may approve therefor and such Director shall report to Congress each such limitation determined by him.

(c) There may be transferred from the appropriations for such constituent agencies to other Government agencies sums for the performance of work or services for the transferring agency but unless otherwise authorized by law, no other agency of the Government shall perform work or render services for any of the constituent agencies, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance.

(d) The foregoing general provisions (a), (b), and (c) shall have no application to appropriations for the War Shipping Administration.

(e) The head of any constituent agency may delegate to any official in such agency or in the field offices of the Division of Central Administrative Services the authority to make appointments of personnel and he may also delegate to any official in the agency of which he is the head the authority to make other determinations necessary for the conduct of the administrative management within such agency.

(f) Any employee of any of the constituent agencies is authorized, when designated for the purpose by the head of such agency, to administer to or take from any person an oath, affirmation, or affidavit, when such instrument is required in connection with the performance of the functions or activities of such agency.

(g) The head of any of the constituent agencies is authorized, in connection with the operations of such agency, to consider, ascertain, adjust, determine, and certify claims against the United States in accordance with the Act of December 28, 1922 (31 U. S. C. 215), and to designate certifying officers in accordance with the Act of December 29, 1941, or to delegate authority to the Director of the Division of Central Administrative Services to designate employees of such Division as certifying officers to certify vouchers payable against the funds of the constituent agency concerned.

SEC. 102. On the effective date of the Vocational Rehabilitation Act Amendments of 1943, (1) the amounts appropriated in the first, second, and fourth paragraphs under the heading "Vocational Rehabilitation" in the Federal Security Agency Appropriation Act, 1944, shall be consolidated into one fund and shall be available for carrying out the provisions of the Vocational Rehabilitation Act Amendments of 1943; except that not to exceed \$25,000 shall be available for administrative expenses in providing rehabilitation for disabled residents of the District of Columbia, including printing and binding, travel and subsistence; and (2) the amount appropriated in the fifth paragraph under the heading "Vocational Rehabilitation" in the Federal Security Agency Appropriation Act, 1944, shall be available for administrative expenses in carrying out the provisions of the Vocational Rehabilitation Act Amendments of 1943, and for carrying out the provisions of the Act entitled "An Act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes", approved June 20, 1936 (49 Stat. 1559, 1560).

TITLE II—GENERAL PROVISIONS

SEC. 201. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or

violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 202. The appropriations and authority with respect to appropriations contained herein for the fiscal year 1944 shall be available from and including July 1, 1943, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between June 30, 1943, and the date of the enactment of this Act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.

SEC. 203. This Act may be cited as the "National War Agencies Appropriation Act, 1944".

Approved July 12, 1943, 3.00 p. m., E. W. T.

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78TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } No. 556

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1944

JUNE 16, 1943.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 2968]

The Committee on Appropriations submits the following report in explanation of the bill entitled "A bill making appropriations for war agencies in the Executive Office of the President for the fiscal year ending June 30, 1944, and for other purposes."

The Budget estimates upon which the bill is based were submitted in the following House documents of the present session: Nos. 138, 147, 148, 153, 157, 159, 163, 164, 165, 166, 167, 178, 196, 199, 202, 204, 205 (in part), 207, and 215. The agencies for which funds are requested in these documents are all within the Executive Office of the President, as follows:

- Board of Economic Warfare.
- Office of Censorship.
- Petroleum Administration for War.
- Office of Price Administration.
- Office of Strategic Services.
- Office for Emergency Management—
 - Central Administrative Services.
 - Office of Civilian Defense.
 - Office of Coordinator for Inter-American Affairs.
 - Office of Defense Transportation.
 - Office of Economic Stabilization.
 - National War Labor Board.
 - Office of Scientific Research and Development.
 - Office of War Information.
 - War Relocation Authority.
 - War Production Board.
 - Smaller War Plants Corporation.
 - War Shipping Administration.

The Budget estimates considered in connection with these agencies comprise the following amounts:

| | |
|----------------------------|--------------------|
| Direct appropriations----- | \$3, 060, 933, 922 |
| Contract authority----- | 18, 000, 000 |
| Total----- | 3, 078, 933, 922 |

The amount recommended by the committee is as follows:

| | |
|----------------------------|--------------------|
| Direct appropriations----- | \$2, 921, 441, 504 |
| Contract authority----- | 18, 000, 000 |
| Total----- | 2, 939, 441, 504 |

The amount recommended by the committee is \$139,492,418 less than the total of the Budget estimates.

The total funds available to the agencies for the fiscal year 1943, including funds directly appropriated to them and transferred funds, amount to \$1,807,215,224.

The amount carried by the bill, including the contract authorization, is \$1,114,226,280 more than the funds correspondingly available in the fiscal year 1943. Of this increase, however, the sum of \$1,073,989,583 is on account of the War Shipping Administration, leaving a net increase over 1943 for all other agencies of \$58,236,697. A detailed tabulation is included at the end of this report showing for each agency the amount available in 1943, the Budget estimate for fiscal 1944, the amount recommended for 1944, and the increase or decrease in the bill compared with the 1943 funds and the 1944 Budget estimates.

The committee desires to call attention, at the inception of consideration of the amounts recommended in the bill, to the fact that with few exceptions the increases shown over the 1943 amounts are by no means indicative of an expansion that the differences would seem to indicate. It should be recalled that the fiscal year 1943 was the first fiscal year for which each of the agencies received an individual appropriation. They have been in the development and formative period during this fiscal year and in the process of recruitment of their personnel. The salary cost in the fiscal year 1944 for an agency which will have no greater personnel in that year than it had in 1943 will be much larger due to the fact that the personnel will be employed for a full year in 1944, whereas in 1943 it was recruited month by month and a much smaller amount sufficed for pay roll and other expenses than will be needed in 1944 to carry, on an annual basis, the same organization or even a smaller one.

By the act of December 22, 1942, the overtime pay increase legislation, personnel freezes and decreases were undertaken by the Director of the Bureau of the Budget. This authority has been continued by the War Overtime Pay Act of 1943, approved May 7 last, which requires similar action quarterly. The personnel freezes and decreases have been wholesome. Agency heads have told the committee that it has enabled them to improve their organizations and make them more efficient. Just ground for criticism undoubtedly existed. Some of the critics, however, have failed to appreciate the tremendous burdens that were thrown upon agency heads in undertaking vital war programs and assembling hurriedly an organization with which to carry on those duties. The great pressure to get these highly

important tasks under way in the shortest possible time overshadowed all other considerations. The War Production Board serves as a good example of these difficulties. The Board had a peak personnel of approximately 22,500. It has had imposed upon it the task of converting our economic system from a free industrial economy to a controlled economy for the prosecution of the war. In normal times the assembly of an organization for this purpose would require a very long period. War does not wait for doing things in the normal way. War calls for quick action and getting the main job done. War itself is wasteful.

Great credit is due the war agencies for what has been accomplished. Mistakes have been made and will be made. They are to be expected. There has been lost motion. The speed of action would not have been attained without it. Improvements have been made and will continue to be made in the functioning of the war agencies. Constructive public criticism has been helpful. It should continue and will be welcomed by the agencies. The type of criticism which serves only to create public distrust is not helpful to the war effort.

Several agency heads with great responsibility have frankly told the committee that personnel cannot continue to be held down if they are to perform the war tasks which have been set for them. There is complaint over the time required in securing appointments, often as much as 5 weeks or more.

The functions of the war agencies in this bill cover a wide range of highly important and vital duties in connection with the prosecution of the war. A general statement of them does not give a complete picture but it does, in casual fashion, call attention to their range and general scope. They include censorship of international mail and communications including letters, parcel post, cables, telephone, and wireless; control of exports and their distribution to the right consignees and the right countries for the war effort, the securing of importation of strategic and critical materials not obtainable at all in this country or obtainable in short supply, preclusive buying to prevent strategic materials in neutral countries from falling into enemy control, and the supplying of economic data and its analysis for use of the armed forces; the analysis of strategic information and the performance of special duties for the joint chiefs of staff of our armed forces; the supply and proper distribution of adequate quantities of petroleum and its products for the armed forces and civilian requirements; the control of rents and prices and the rationing of commodities to provide proper distribution and assist in controlling inflation; the conduct of propaganda warfare in enemy, enemy-occupied, and neutral countries, and the furnishing of information programs to facilitate the development of informed and intelligent understanding of the status and progress of the war effort and of the war policies, activities, and aims of the Government; the maintenance and improvement of the solidarity of purposes and aims of the nations of the Western Hemisphere; the control and maintenance of adequate rail, motor-carrier, and inland and coastal waterway transport facilities and their proper functioning in the war effort in the United States; the control of wages to assist in controlling inflation and the adjudication of labor disputes; the conduct of scientific research for the development of new weapons of war and in military medicine in the interest of our armed forces; assistance to small industrial plants to

aid them to survive the vicissitudes of the war economy; the maintenance, operation, and management of the entire merchant marine under the American flag except Army and Navy controlled vessels but including many vessels of foreign registry subject to charter—the greatest maritime enterprise of all history; the control, maintenance, supervision, and support of alien and citizen Japanese removed from the Pacific coast defense command area and the management of their real and personal property wherever located during the period of isolation; the organization, assistance, and cooperation with the State and local volunteer civilian defense organization in the promotion of community war facilities and home defense; and the maintenance of our maximum productive capacity in the interest of the war and the civilian economy and the assignment of the critical and strategic materials in the best interest of the war effort—in effect the management of the national economy for the prosecution of the war.

The Budget estimates made provision for a total of 18 different agencies. The man-years of employment requested for these agencies exceed those of the fiscal year 1943. Nine of the agencies were given decreases by the estimates and 9 were given increases. The committee has denied all personnel increases requested with the exception of the Board of Economic Warfare, the Office of Price Administration (5,189 local board clerks only), the Coordinator of Inter-American Affairs, the Office of Scientific Research and Development, the Smaller War Plants Corporation, and the War Shipping Administration. The total denials in the estimates and decreases in present forces approximate 5,400 man-years. Eliminating the increases allowed the Office of Price Administration and the War Shipping Administration, the bill provides net less man-years of employment than the 1943 budgets for the rest of these agencies.

The committee has inquired as fully as time permits into the operations of the agencies and their proposed budgets. More than 5 weeks have been given to hearings and consideration of the bill. The printed hearings are in two parts totaling more than 2,100 printed pages. The unrecorded testimony would make 500 pages more.

While members may not have the time to examine the hearings in great detail, attention is invited to the general statements of the heads of the agencies. They are illuminating and give an over-all picture of the activities of each one. A considerable amount of testimony does not appear in the printed record. It is of a nature which should not, in the interest of the prosecution of the war, be made public. This is particularly true of the Office of Scientific Research and Development, the Office of Strategic Services, the Board of Economic Warfare, the Office of War Information, the War Shipping Administration, and the Office of Censorship.

BOARD OF ECONOMIC WARFARE

The amount of the Budget estimate of \$36,150,000 is approved. The amount available for the fiscal year 1943 is \$22,943,846. The amount allowed is an apparent increase over 1943 of \$13,206,154. Included in the amount for each fiscal year is a contingent fund of \$10,000,000 for procurement purposes, and eliminating this sum the amounts for each year for other purposes are reduced to \$26,150,000

and \$12,943,846, respectively. Expenditures from the contingent fund in the current fiscal year have been relatively light. However, it is hoped that war conditions which operate to prevent its usefulness during the current year will be so changed in the coming year that it may serve the highly important procurement purpose for which it is intended.

In a comparison of the amounts for 1943 and 1944, exclusive of the emergency fund, it should be borne in mind that while the funds for the present fiscal year total \$12,943,846, the annual rate of expenditure to carry the organization at its present level is approximately \$19,000,000, so that the increase for 1944 over 1943 is in effect a comparison between \$26,150,000 and \$19,000,000, or a real increase of approximately \$7,000,000. In order to keep the Board of Economic Warfare operating at its current level there would be require in 1944 the sum of \$19,000,000 and \$10,000,000 for the contingent fund or a total of \$29,000,000.

One of the most interesting and illuminating statements made by any witness during the entire hearings was presented by Mr. Milo Perkins, Executive Director of the Board. His testimony needs to be read to realize the grave importance of the work that is being done by that organization on the world economic front and the crucial part it is taking in the war effort. The Board operates in three important fields—those of exports, imports, and economic warfare analysis.

The Board through the Office of Imports is directing more than 200 purchase programs in 40 different countries or areas. Nearly 600 individual items are included in the list of programs. Generally they comprise minerals and metals, foodstuffs, textiles, and a long list of miscellaneous commodities. The United States is far from self-sufficient in many of the basic raw materials needed to meet our war commitments. The volume of development and procurement operations for imports will approximate \$1,500,000,000 in the current fiscal year and will exceed \$2,000,000,000 for the coming fiscal year. This function is beset with many difficulties as the following excerpt from Mr. Perkins' testimony will indicate:

This part of the job gets tougher as we need more materials and must reach farther out into new and undeveloped fields to find them. Circumstances have forced our men to become economic commandos, literally penetrating new territory in the jungles of the world, to find new sources of balsa wood for gliders, cinchona bark for quinine, fiber substitutes to replace lost hemp and a long list of vital minerals and metals without which technological warfare would be impossible.

A lot of side factors must be kept constantly in mind as these import operations are carried out. Transportation problems must be met; special area programs must be developed, with full consideration for related economies within the areas; price levels must be planned to induce maximum production, and yet not disrupt the domestic economy of the country involved; new producing units must be found and developed as older sources reach maximum capacity; often special equipment must be exported to make possible these increases in imports. The job can be done, and it will be done, but it will take a lot more ingenuity and drive in the year ahead of us than it took in the one behind us.

Export control is a tremendous job. Every individual export from the United States must be licensed before it can leave. The task originally centered around export licensing to prevent strategic materials leaving the United States and to prevent shipments from this country from getting into Axis Powers through sympathetic blacklist concerns in neutral countries. The function has now grown to include the positive job of directing available exports to keep up

the domestic and war economies of friendly countries and to make possible the development and transportation of the materials to be imported for our own war effort.

The United States is nearly the only remaining supply house for commercial goods needed vitally by many of our allies. The basic economies of these countries must be kept going. They are producing tremendous quantities of strategic materials which we must have and we must try to meet their most essential needs. Export control is intricate and detailed. In 1942 the Board examined approximately 1,250,000 export license applications, of which about one-half were granted. In 1943 it is estimated that this volume will rise to about 2,000,000 export documents which means between 6,000 and 7,000 each working day. A total of 2,500 commodities and commodity groups are subject to export control. They flow from 16,000 United States export firms to more than 140 different country destinations and there are thousands of individual consignees. Again quoting from Mr. Perkins' testimony:

Briefly, the export job must be handled so as to get the greatest possible strength and solidarity on the Allied economic front. Exports must be kept from going to the wrong places; they must go to the right places at the right time and they must go within available supply and shipping limitations. First things must come first. If country A needs some rolling stock to keep her basic industries in operation, she must get that rolling stock. If mining equipment is needed in country B, to get out tin or mica or tungsten needed by our war industries, country B must get that mining equipment.

Realistic steps have been taken by our Office of Exports in recent weeks to see that the limited exports we can spare hit the nail on the head in the country to which they are sent. At the capitol of each Latin-American country, representatives of our Department of State and Board of Economic Warfare sit down around a table with an agency representing the government of that country. With supply and shipping cards face up, this group makes a preliminary determination of the most vital import needs of the country in question. This determination becomes the first blueprint for our export shipments, subject to later changes made necessary by the availability of supplies and of shipping space.

The other principal operations of the Board, with respect to economic warfare analysis and blockade and preclusive operations, are activities closely related to the prosecution of the war. Working very largely under orders of the appropriate branches of the Army and Navy, information is obtained and detailed reports prepared for them for use in connection with military operations. These activities have been described to the committee in executive session. With respect to this phase of the work, Mr. Perkins said:

Much of this activity on the economic warfare analysis front is, of course, very secret. By agreement with the armed services we have the most stringent regulations to protect the security of information available to us. You might as well tip off the location of your fleet as to give hints about your economic strategy or knowledge of the enemy position. This economic warfare analysis job is vital, it is directed 100 percent toward helping to win the war, and it becomes more complicated and demanding as the war develops along positive offensive lines. When the full story can be told, it will be one of the most fascinating chapters of the war record.

The following letter from Maj. Gen. George V. Strong, Assistant Chief of Staff in charge of the Military Intelligence Division of the General Staff, War Department, is indicative of the value of the economic material furnished the War Department by the Board of Economic Warfare:

BOARD OF ECONOMIC WARFARE,
OFFICE OF EXECUTIVE DIRECTOR,
Washington, D. C., June 14, 1943.

Hon. CLARENCE CANNON,
Chairman, House Appropriations Committee,
House of Representatives.

DEAR MR. CANNON: As you know, I gave as much information to your committee about our enemy analysis work for the Army and Navy as I could in view of the military necessity of protecting the security of highly secret information available to us.

I have just received a letter from Major General Strong under whose direction we do most of this work. I am enclosing a copy of it in case you should feel that it should be made a part of our testimony.

Sincerely yours,

MILO PERKINS, *Executive Director.*

WAR DEPARTMENT GENERAL STAFF,
MILITARY INTELLIGENCE DIVISION G-2,
Washington, June 12, 1943.

Mr. MILO PERKINS,
Board of Economic Warfare,
Washington, D. C.

MY DEAR MR. PERKINS: I should like to invite your attention to the developments of the past year in the use of reports prepared by the Board of Economic Warfare in connection with the activities both of the Joint Intelligence Committee and the Military Information Division of the General Staff. The economic material, furnished by the Board of Economic Warfare, has been most useful in connection with estimates of Axis capabilities, both in Europe and the Far East. The services performed by the Board of Economic Warfare, particularly in regard to the oil situation, have been outstanding and far more accurate than information received from any other source. As Chairman of the Joint Intelligence Committee of the Joint Chiefs of Staff, I have come to lean heavily upon your Bureau of Economic Warfare representatives on the Committee and on its subcommittees, in determining accurate and analytical questions which are of vital importance to sound decisions bearing upon tactical and strategical plans. The reports and analyses submitted to the Joint Intelligence Committee, through your representatives, have been of outstanding value and a material contribution to the over-all picture which is essential to sound intelligence and the basis for sound planning. In addition, your organization has been particularly helpful in various problems arising in the estimation of the Axis positions in regard to strategic materials, foodstuffs, industrial capacity, and potentialities of the German and Japanese war machines.

In the Government service we are too often prone to accept services as a matter of course and without any particular recognition. In view of the heavy burden which my organizations have undoubtedly placed upon yours, I desire to take this opportunity to express to you and, through you, to the personnel of your organization my very keen appreciation and heartfelt thanks for the close cooperation and the outstanding services performed by the personnel of the Board of Economic Warfare.

Very sincerely yours,

GEO. V. STRONG,
Major General, A. C. of S., G-2.

OFFICE OF CENSORSHIP

The committee recommends an appropriation of \$27,800,000, \$520,000 more than the current year's funds and \$2,198,400 less than the Budget estimate. In making this decrease in the Budget estimate the committee has no thought of denying funds necessary for essential

censorship operations and, if events indicate that this allotment is insufficient, recourse can be had to Congress for further consideration. The Budget estimate called for an additional 450 positions for handling the censorship of prisoner-of-war mail. The remainder of the organization was requested on the same numerical basis as for the present fiscal year. The committee ascertained, however, that as of May 31 there were more than 2,200 vacant positions in the authorized number for the present fiscal year. No limitation on the number was established by the Director of the Bureau of the Budget in connection with the personnel survey undertaken by that Bureau. The committee is aware of the difficulties in recruitment for censorship work. It does feel, however, that with such a large number of vacancies now existing it is futile to add to the number of authorized positions and accordingly has eliminated the 450 additional requested. It has also taken from the estimated amount for the fiscal year 1944 an amount for lapsed salaries, since funds were provided for all of the authorized personnel for the full fiscal year and it is apparent that it will take months to recruit up to the basis of the 1943 authorized strength.

PETROLEUM ADMINISTRATION FOR WAR

The funds available for the fiscal year 1943 amount to \$4,381,413 and the committee recommends the Budget estimate of \$5,473,000 for the fiscal year 1944, an increase of \$1,091,587. This is only an apparent increase, as the 1943 amount does not represent a full annual basis of cost of the present organization. On an annual cost basis the amount recommended for 1944 shows a small reduction. However, at the end of May the actual strength of the organization was 350 below that authorized for the current fiscal year and, while the Deputy Administrator advised the committee that the duties imposed upon the Administration would require a larger organization in 1944 than authorized for 1943, the committee feels that it is not justified, in view of recruitment difficulties, in providing a force larger than the Budget request—132 less than the current authorized number and 219 more than the number employed at the end of May. The task of keeping the armed forces and the civilian economy supplied with petroleum products is a most responsible one, and the committee feels that it is in competent hands. If, as the fiscal year progresses, the situation appears to require consideration of further requests, the committee can do so.

OFFICE OF PRICE ADMINISTRATION

The amount requested for the Office of Price Administration for the fiscal year 1944 is \$177,335,000. The amount for the current fiscal year is \$120,000,000. It should be recalled that at the time of the enactment of the amendment to the Emergency Price Control Act on October 2 last, permission was granted the Office of Price Administration by Congress to increase its expenditures up to \$140,000,000. Immediately upon assumption of office the new Administrator, Hon. Prentiss M. Brown, took steps to prevent the need for the appropria-

tion of any of the additional \$20,000,000 and has succeeded in holding expenditures for the current fiscal year within the original \$120,000,000, with the exception of the additional sums required on account of the war overtime pay legislation.

The amount requested for the fiscal year 1944 is an apparent increase of \$57,335,000. The Budget estimate contemplates a total personnel of 69,170, compared to an authorized total for the current year of 60,830, an increase of 8,340. Of this increased number 5,189 are requested for local war price and rationing boards, 1,990 additional field investigators, 458 in the Washington Office, and 703 additional in regional and district offices. The budget estimate was formulated on the basis of the institution of 8 new rationing programs in the coming fiscal year: 1 for cooking and heating equipment, 1 for rationing in institutions, and 6 to be later announced. The Budget estimate also makes provision, in the sum of \$17,503,110, for payments to banks under the ration banking plan for the handling of purchase authorizations.

The spread between the \$120,000,000 for the current year and the \$177,335,000 for the ensuing year, \$57,335,000, is accounted for by the additional personnel requested, the additional amount for the ration banking plan, the sums required to place the 1943 authorized personnel on an annual basis (including the amounts for salaries and other accompanying expense), and increases for printing and other nonsalary expenses for the rationing programs.

The committee has approved the sum of \$165,000,000 for the fiscal year 1944. This will provide no new personnel except for war price and rationing boards. The committee has allowed the amounts necessary for the 5,189 additional clerks for local boards and the attendant office expense necessary for that purpose and for such expenses as may be required incident to the 5,000 additional volunteer clerks.

The personnel for the Washington Office is provided on the basis of the number employed on May 31 last, 4,651, instead of the authorized level of 5,063 (a decrease of 412) and the estimated number of 5,414. The force in the district and regional offices is continued at the numbers authorized for 1943, 18,456. The total personnel for the Office of Price Administration as covered by the \$165,000,000 is as follows:

| | |
|---------------------------------------------------------------|---------|
| Washington office (reduction of 412 under 1943)..... | 4, 651 |
| Regional and district offices (same as for 1943)..... | 18, 456 |
| | <hr/> |
| | 23, 107 |
| Local boards (paid clerks) (increase of 5,189 over 1943)..... | 42, 500 |
| | <hr/> |
| Total (net increase of 4,777 over 1943)..... | 65, 607 |

The total of 65,607 is 3,563 less than the number requested for 1944, 69,170, and a net increase of 4,777 over the number authorized for 1943, 60,830. The net increase of 4,777 occurs from the addition of 5,189 additional local board clerks and the reduction of 412 in the Washington office. Of the 60,830 authorized positions for the fiscal year 1943, 51,732 were filled on April 30 last leaving approximately 9,000 vacant, a very large proportion of which was in the paid force of local boards being recruited at the rate of about 1,000 per month.

The reduction of \$12,335,000 in the Budget estimate consists of \$11,000,000 due to the denial of any increased personnel other than local board clerks and the roll-back to May 31 personnel in Washington and to a general cut of \$1,335,000 which is left to the Administrator to apply.

The committee has inserted a provision allocating not less than \$59,551,042 of the \$165,000,000 for all salaries and other expenses directly incurred by local boards. This figure compares with the sum of \$37,043,181 for the current fiscal year and is an increase over 1943 of \$22,507,861. The total paid personnel for local boards for 1944 is 42,500, an increase of 5,189; and the total volunteer personnel for 1944 is 38,510, an increase of 5,000, a total for 1944 of 81,010.

The committee has not effected the decrease in the Budget estimate with a view to hampering or restricting the price control and rationing programs. They are highly essential as a major part of the effort to control inflation. The organization has been continued at practically the level of the current year in the belief that with the vacant positions existing and the changes which Administrator Brown is effecting from time to time in improving the administration that the work can be effectively carried on in the next fiscal year.

The following excerpt from the statement of Administrator Brown is an impressive résumé of the effect of price-control measures:

The cost of World War I inflation to the Federal Government was \$13,500,000,000. Total war expenditures were approximately \$32,000,000,000, but \$13,500,000,000 of this total was made necessary by price increases. By preventing the pattern of price increases which occurred during the corresponding period of the last war, Office of Price Administration has saved the Government \$25,800,000,000 on the cost of the war by the end of 1942. By the end of 1943 these savings to the Government will amount to over \$70,000,000,000, if prices are held at current levels. This is two and one-half times the total cost of World War I. Some estimates of specific savings to the Government have been made. By preventing proposed price increases or by controlling previous trends in prices, annual savings to the Government on selected individual items are: Imported commodities, \$361,000,000; steel mill products, \$320,000,000; armor plate, \$100,000,000; lumber and lumber products, \$88,000,000; Diesel and gas engines, \$50,000,000; new machine tools, \$43,000,000; cured, frozen, and canned pork, \$37,000,000; second-hand machine tools, \$25,000,000.

These estimates are conservative and do not include the proposed subsidies program, which figures I can give later.

Consumers would have spent nearly \$6,000,000,000 more for the goods and services consumed since September 1939, if prices had followed the prices of the last war. By the end of 1943 savings to consumers will amount to over \$20,000,000,000 with prices held at current levels.

The cost of living as measured by the Bureau of Labor Statistics' index has risen only 7.1 percent since statutory authority to control prices was provided in January 1942, and only 4.2 percent since Office of Price Administration issued the General Maximum Price Regulation in May 1942. Although the cost of living has risen approximately 23 percent since the war began in September 1939, three-fifths of this rise occurred before the passage of the Emergency Price Control Act. The effectiveness of price control in stabilizing the cost of living in this war is also evidenced by comparison with the last war.

At the height of World War I inflation, the cost of living had risen 108 percent. By the forty-second month of that war, which corresponds to February 1943 of this war, the cost of living had increased over 39 percent, as compared with an increase of only 23 percent in this war. From February 1942 to February 1943, the cost of living rose only 7 percent while during the corresponding period of the last war, the cost of living rose 20 percent, or almost three times as much. It is significant to note that the increase in the present war has been largely due to advances in the price of uncontrolled items.

In the 43 months between the outbreak of the war in August 1939 and March 1943, the rise in wholesale prices was held to 38 percent. During the first 43

months of World War I, on the other hand, wholesale prices rose 82 percent, or more than twice as much. The cost of living rose 25 percent during the same period of this war, as compared with a rise of 41 percent during the corresponding months of the last war.

In this wartime, as everyone knows, the pressure upon prices is vastly greater. This is total war. Yet we have done so much better in this war than we did in World War I.

OFFICE OF STRATEGIC SERVICES

This agency appears in an appropriation bill as a separate entity for the first time. It was originally established as the Office of Coordinator of Information by the Executive order of July 11, 1941. On June 13, 1942, the Office of Coordinator of Information (exclusive of the foreign information activities transferred to the Office of War Information) became the Office of Strategic Services subject to the jurisdiction of the United States Joint Chiefs of Staff. The duties of the Office as defined in the order of June 13, 1942, are:

- (a) Collect and analyze such strategic information as may be required by the United States Joint Chiefs of Staff.
- (b) Plan and operate such special services as may be directed by the United States Joint Chiefs of Staff.

Since its transfer to the jurisdiction of the United States Joint Chiefs of Staff the Office has operated under the authority of successive directives from that body. It is charged by these directives, among other things, with the "planning, development, and execution of the military program for psychological warfare."

The intelligence functions of the Office include the collection, analysis, and dissemination of strategic information which is collected from all sources available to this country and its allies. This work is performed for the joint Chiefs of Staff, the War and Navy Departments, and other agencies concerned in the direct prosecution of the war.

The special services undertaken by the Office by direction of the United States joint Chiefs of Staff are in the field of psychological warfare. Generally these operations are conducted in the several theaters of operation under the control and direction of the theater commander. They are supplementary to orthodox military operations.

Because of the nature of the functions of the Office of Strategic Services the committee has deemed it appropriate to consider and discuss its activities apart from the printed record.

Funds for current operations have been supplied from the President's emergency appropriation totaling \$31,233,680. The amount of the Budget estimate for 1944 is \$38,476,000. The committee recommends the sum of \$35,000,000, which is an apparent increase of \$3,766,320. However, it is estimated that of the current funds of \$31,233,680 the total commitments will be \$29,325,137 so that the \$35,000,000 allowed for 1944 is an increase of \$5,674,863 over the 1943 estimated obligations.

Due to the nature of the operations the widest latitude is permitted in the expenditure of the funds. The sum of \$23,000,000 of the total amount is made available for expenditure without regard to the provisions of laws and regulations relating to the expenditure of Government funds or the employment of persons in the Government service and \$21,000,000 of the \$23,000,000 is permitted to be expended

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for objects of a confidential nature and to be accounted for solely on the certificate of the Director whose certificate is conclusive upon the accounting officers. While the nature of the work is such as to require the greatest latitude in the use of the funds, the committee has inquired from General Donovan as to the controls that are maintained and the records kept of this unvouchered money. Every reasonable precaution should be taken in the administration of them both for the protection of the Government and the responsible administrative officers.

The decrease in the Budget estimate is not indicative of a desire to hamper any important function. The nature of the operations are such, however, as to make the cost problematic. If further needs arise consideration can be given to them at the appropriate time. Not all of the expense of operation of the Office of Strategic Services is accounted for by the appropriation. Approximately 40 percent of the personnel of the organization is from the armed forces and their pay and allowances and some of their other expenses are paid from funds of the detailing service.

OFFICE OF CIVILIAN DEFENSE

The appropriation for the current fiscal year is \$7,447,075. The Budget estimate for fiscal 1944 is \$5,746,522. The committee recommends for the next year the sum of \$4,000,000. This amount is a decrease of \$3,447,075 under the 1943 appropriation and \$1,746,522 under the Budget estimate.

The Budget estimate is exclusive of the Civil Air Patrol which has been transferred to the War Department. The number of personnel contemplated by the estimate is 1,252 which includes 32 positions for the establishment of a new regional office, region X, so that exclusive of the new region the total personnel requested for continuance is 1,230. This is a decrease from the 1,626 authorized for 1943 of 404 or 25 percent. The Office on May 31 had an actual personnel of 1,188 which is approximately the level provided by the Budget estimate.

The amount recommended by the committee, \$4,000,000, will force a drastic curtailment and reorganization of the O. C. D. The cut in the Budget estimate is \$1,746,522. The amount for the proposed region X, which would include the States of Montana, Idaho, Utah, Wyoming, Colorado, and New Mexico, now forming parts of regions 7, 8, and 9, is approximately \$145,000. Eliminating this amount the reduction becomes \$1,601,522. This is a decrease of approximately 30 percent in the amount exclusive of the new regional set-up.

The committee has not indicated the portion of the organization to be dismantled as a result of this reduction leaving the application of the cut and the reorganization which necessarily must follow to the discretion of the Director. However, it appears only reasonable to assume that no impairment of a serious nature would be undertaken in the Protection Branch which is concerned with civilian defense in the fields of maintenance of communications, air-raid-warning services, control systems, alarm devices, protective lighting and concealment, fire defense, gas defense, training, facility security, evacuation of populations, emergency transportation, and medical services. To meet a reduction of \$1,600,000 in other directions would require

severe curtailment if not complete elimination of the Civilian War Services Branch both in Washington and in the regional offices. The total estimate for this branch for 1944 is approximately \$1,445,000 for Washington and the field involving a personnel of approximately 300. The duties of the branch are outlined by Director Landis in his statement on pages 357 to 364 of part I of the hearings.

OFFICE OF COORDINATOR OF INTER-AMERICAN AFFAIRS

The funds available to the Coordinator for the fiscal year 1943 total \$37,020,753. The Budget estimate calls for direct appropriation of \$33,860,000 and a contractual authority of \$18,000,000, or a total availability of \$51,860,000. The committee recommends a direct appropriation of \$30,685,000 and the contract authorization of \$18,000,000, or a total of \$48,685,000, which is \$11,664,247 more than the amount for 1943 and \$3,175,000 less than the Budget estimate.

The committee has inquired exhaustively, both in the testimony made public and otherwise into all features of the program proposed by the Coordinator. Each individual phase has been covered. The hearings are complete and informative.

The major objective of the Coordinator's Office is to build a strong and positive unity between all the nations of the Western Hemisphere in order that they may successfully carry the war by the United Nations against the Axis to victory and that they may work jointly toward sound world reconstruction.

The success of the program during the past can be measured largely by the course followed by the individual countries and the unity of political, military, and economic action in the hemisphere in opposing the Axis. Twelve of the American republics are belligerents and eight others have broken relations with the Axis and have thrown their full productive effort behind the United Nations. This hearty cooperation is significant, both from a military and an economic standpoint, to the United States and the other republics.

It seems unnecessary here to stress the value of having full military cooperation with other American republics. The influence of the lack of it upon our present operations readily can be visualized in connection with the African campaign and our freedom of action in other theaters due to the solidarity and unity of purpose of the nations of the Western Hemisphere. On the economic side, Latin America is the source of many of the strategic and critical materials which are in short supply in the United States and needed for the war effort. With other world sources of certain materials which we do not produce and must import shut off, Latin America has increasingly become an important source from which to help supply our requirements.

With respect to Axis propaganda in Latin America, the following excerpt is quoted from Mr. Rockefeller's testimony:

I have mentioned the importance of military and economic cooperation from our point of view and the seriousness not only of the rise in prices down there due to the inflationary trend—caused by excess of exchange and a shortage of goods—but other serious situations are arising in areas where people are dependent on transportation for food. With the inability to export certain basic commodities like coffee and bananas, and so forth, unemployment is rising in areas dependent upon imports of certain raw materials, and semifabricated goods for assembly plants.

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There have been serious economic repercussions due to this break-down in trade and shipping, and the inability to export and import production goods and consumption goods.

The basis of the cooperation in both the military and the economic areas depends on the political relations among the American republics. As you well know, the Department of State has handled these relations in a magnificent manner, with foresight, with great statesmanship; so that today we have a political structure which permits the necessary collaboration.

Today, particularly with total war such as is being waged, a government cannot stand firm in its foreign relations unless the people are back of it. The Axis has developed over the past years, and used in recent years, a propaganda technique designed to undermine the morale of the people of the Americas, to cause a break-down among them, and to divide them among themselves. The Axis objective was to build up hatred and feelings of misunderstanding so that governments could not develop a unity amongst their peoples.

First let me say that through vigorous action on the part of the American republics, Axis organizations have been pretty well broken up throughout the hemisphere. With various countries declaring war and other countries breaking off Axis relations, they have stopped all direct propaganda except in one country. These Axis organizations have been either disrupted or driven underground where they are dependent largely on rumor, on subversive activities, and on short-wave radio from abroad.

The amount recommended by the committee provides for a continuation of the radio, news, and motion-picture programs on a reduced basis. It also provides for a continuation of the basic economy program embodying a relatively small amount for emergency rehabilitation work and a 2-year program for 1944 and 1945 for health, sanitation, and food supply. The basic economy program has been operating for a year and a half to support the work of the military groups and also to support production of strategic and critical materials such as rubber in the Amazon area. A typical and interesting description of the importance and necessity of the basic economy program will be found commencing on page 156 of part I of the hearings outlining the project in the Amazon Basin in support of the production of rubber. With respect to the future and permanence of the basic economy program, Mr. Rockefeller testified:

General Dunham, who is carrying on the health and sanitation program as the operating head, has negotiated in each country, so that the program has been set up within the governmental structure of each country under the ministers of public health as special services. Our doctors are there and our engineers, but in the proportion of about 1 to 25 of theirs. We are helping train their men. The initial construction work will be completed. And it is our hope that in 3 years they will be able to take over with trained personnel on an economic budget all the operating expenses of this entire program of health and sanitation. This will result in the establishment of basic health and sanitation standards throughout the tropical areas of the Southern Hemisphere and Central America.

The committee has made some decreases in the Budget estimate totaling \$3,175,000. This amount comprises elimination of \$125,000 for support of inter-American centers in the United States, \$75,000 for minority programs among Spanish speaking people in the United States, and \$75,000 for information analysis involving research and reference work by private organizations and other Government agencies. The committee has also eliminated the sum of \$400,000 from the emergency rehabilitation allocation in the basic economy program.

A new project was submitted in connection with the Budget estimate. It contemplated a program of \$5,000,000 for a comprehensive general educational program in the other republics to cover a

period of 3 years and to be a complete project within that period and with that sum. The committee has provided \$2,500,000 toward the project in this bill. With respect to the necessity, extent, and importance of the program Mr. Rockefeller advised as follows:

Briefly, we are asking and receiving the cooperation of the 20 other American republics in varying degrees, and it is terribly important to us in the war. Part of that has been the result of this informational program. These gains have been made and the Government is not going to keep up, in my opinion, an information program after the war is over. We never have in the past and I cannot see any reason for carrying on an elaborate program of this kind. Therefore, to hold the good that we have gained, and to make permanent the understanding we have developed, the confidence and the trust which has grown and developed during this period throughout the other American republics, we must work with the schools of those countries, through their educational systems; that is, if we are going to make this permanent. This means that all the peoples of this hemisphere must have an opportunity to read and know about one another, to understand this philosophy of 21 nations living together in a hemisphere, standing side by side in time of war, in time of world crisis, and cooperating to the mutual benefit of each country during times of peace and collaborating in economic fields for the best interests of the people of all the countries.

This program is designed to undertake cooperative programs with the ministers of education and the leading educators in each of the countries. They will come up here and get an understanding of our program. There will be an exchange of ideas. We will assist them in making permanent this work of a better understanding, which is basic to cooperation in any field, and in meeting any of the problems of the people of those countries.

* * * * *

We start with a conference of ministers of education of the various countries. As a result of that, a program of action will be developed for this cooperative effort.

Then we invite the ministers of education and a dozen of the key people in educational work in each country to come up here to the United States and discuss their problems frankly with educational groups in this country—not just government—but the National Education Association; the American Council on Education, and State groups. While they are here a program will be worked out to determine the major needs of their country from the point of view of textbook material, from the point of view of the problems in illiteracy in rural areas, in urban areas where motion pictures can be used, and so on. Programs will be developed for areas where illiteracy is holding back the economic development of the country.

We will develop a joint program financed jointly.

We visualize it as a 3-year program which, in itself, is complete. We do not plan to ask for any more money in this. In fact, I am willing to say right now that this is a complete program in itself. We will put the money into a foundation which will carry on the program until such time as private groups can take it over.

The Axis over a period of years had expended large sums of money to influence the school systems in some of the Latin-American countries. As of September 1942, Germany and Italy had financed and operated 888 schools in South America. They furnished free tuition to key people whom they selected, supplied professors and textbooks, and have dominated and influenced very materially the thinking of the children. A study made by the Department of State in 1941 estimated that Germany had expended over \$6,000,000 on German schools in Latin-America since Hitler came into power.

The amount recommended by the committee contemplates no such program. It provides no construction. It aims to work with and through the public educational systems of these countries in a truly democratic fashion on a program of mutual understanding and benefit to all of the nations of the Western Hemisphere.

The Coordinator advised the committee that, based on conditions as they exist today and assuming a continuance of the war, that a rough

approximation of the amount to be requested for 1945 for the entire coordination program would be one-half of the request for 1944, or approximately \$25,000,000 exclusive of the \$18,000,000 required for liquidation of the contract authorization in this bill. This program is not designed to be a continuing or a permanent program. Such of our cultural and educational relations with the other American republics as are deemed to be of a permanent character are appropriated for in funds granted through the Department of State in the regular bill.

OFFICE OF DEFENSE TRANSPORTATION

The amount allowed is \$14,650,000, which compared with the Budget estimate of \$14,900,000 is a decrease of \$250,000 and compared with the current appropriation of \$14,416,515 is an increase of \$233,485. The reduction in the Budget estimate is affected by decreasing the allotment for travel from \$1,500,000 to \$1,250,000. The organization approved for the coming year is 4,487 which is 302 less than the number authorized for fiscal 1943 and approximately 300 more than were employed on May 3d. Director Eastman was frank in advising the committee that the Budget recommendation made no allowance for expanding needs which may require additional funds as and when they develop. The committee hopes that the Director may realize his desire to make the amount recommended fit the necessities of managing the Nation's domestic transport facilities as successfully and satisfactorily as the task has been performed up to this time. Compared with the experience of the First World War when the Government took over the railroads and operated them, the transport facilities in this war have handled a much larger volume of traffic and have done it in a very extraordinary manner considering the handicaps of equipment, repair parts, manpower, and competing war necessities.

The following excerpt from Director Eastman's testimony outlines clearly the work of the Office of Defense Transportation:

I should like to make a few general remarks about our work. I think you understand that we cover every form of domestic transportation, not only the for-hire carriers, the common and contract carriers, but also the private carriers. And we have some responsibility even for private automobiles.

In addition to that, we have a very large responsibility with respect to the storage situation throughout the country, in connection with all the Government departments.

Our work relates chiefly to the operation of these transportation facilities, and in one case we actually operate a railroad; that is the Toledo, Peoria & Western. We are managing and operating that railroad.

In addition to the matter of operation, we have the problem of procuring materials and equipment for all of the transportation agencies, including private automobiles, through the War Production Board. We have duties in connection with the negotiation of rates. We cannot fix rates, but we have the duty of negotiating rates for traffic in which the Government has an interest, where that appears necessary under war conditions. And we have all the problems related to manpower in connection with all these forms of transportation.

The basic problem, in brief, is to make transportation facilities which are depleted, compared to pre-war conditions, carry by far the greatest transportation load in the history of the country. When I say "depleted," I mean we have lost the use of the intercoastal and most of the coastwise ships, and because of the rubber situation we have lost to some extent the use of highway automotive facilities.

In its struggle with that problem, up to date, transportation, as you know, has not failed. It has met the situation adequately, notwithstanding the shortages of rubber, the shortages of critical materials other than rubber, the shortage in

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Council; together with Brig. Gen. James S. Simmons, of the Office of the Surgeon General of the Army, Rear Admiral Harold W. Smith, of the Office of the Surgeon General of the Navy, and Dr. R. E. Dyer, Director of the National Institute of Health, representing the Surgeon General of the Public Health Service.

Appropriate liaison is maintained through these committees and their subcommittees with the armed forces and other Government agencies to avoid duplication and to insure that the research is responsive to the military and naval needs.

Research is carried on by contract with educational institutions, research institutes, and industrial laboratories. From June 1940, through April 17, 1943, a total of 1,731 different contracts with 854 supplements, have been entered into. They involved 124 different academic institutions and 205 different industrial organizations. Of these contracts approximately 600 have been completed, leaving more than 1,100 still in force. As a result of the research slightly more than 200 devices and formulas had been adopted which are either in use or in production. Equipment or material produced or in production as a result of the contracts is approximately \$2,000,000,000. The general program is limited to research on projects the results of which in the case of weapons and equipment could be available for use against an enemy in the field not later than the summer of 1945.

Most of the testimony on these projects is necessarily not reported. The committee has been informed of results and they are significant. Commendatory letters from Admiral King and General Marshall are printed on page 1249, part I, of the hearings.

In the field of medical research, a list of the proposed studies is printed on pages 1263 and 1264. Members will be intensely interested in reading Dr. Richard's testimony on page 1270 respecting penicillin, which bids fair to rival the sulfanilamide drugs.

OFFICE OF WAR INFORMATION

The Budget estimate for the Office of War Information for the fiscal year 1944 is \$47,342,000, in which sum is included a special fund of \$10,000,000 contingent upon need in connection with military operations. The funds available for the current fiscal year total \$35,847,292 and do not include any such special fund. The amount asked for 1944, therefore, exclusive of the special fund, is \$37,342,000, or an increase over the figure for 1943 of \$1,494,708.

The committee recommends a total of \$34,472,504, which is an apparent decrease of \$1,374,788 under 1943 funds and \$12,869,496 under the Budget estimates. The amount allowed for 1944, however, includes \$5,000,000 for a special fund for use contingent upon military operations and eliminating this from the \$34,472,504, the figure becomes \$29,472,504 which is \$6,374,788 less than the amount for 1943.

The decrease in the Budget estimate of \$12,869,496 consists of a cut of \$5,000,000 in the \$10,000,000 request for a fund for use contingent upon actual or projected military operations, a decrease of \$4,503,590 in the amount for the Overseas Operations Branch, and a reduction of \$3,365,906 in the request for the Domestic Operations Branch. In making the decrease in the contingency fund the com-

mittee does not indicate that any embarrassment should result therefrom. No such fund was available in 1943 and operations in north Africa were met within the total of the funds provided. If it should appear that the \$5,000,000 is a deterrent to necessary activities on the military fronts the committee will review the situation. The other reductions in the Budget estimate affecting domestic and overseas operations total \$7,869,496.

The amount requested for the Overseas Operations Branch is \$27,003,590 compared with an allocation for 1943 of \$25,785,821. The committee has allowed \$22,500,000 which is a decrease of \$4,503,590 in the Budget allocation. The sum sought for 1944 contains provision for an increase of 763 in personnel whose cost, including salaries and other attendant expenses amounts to \$2,290,000. The allowance eliminates the increase and makes a further reduction of \$2,213,590. This sum must be met by curtailments in other directions.

The amount requested for the Domestic Operations Branch is \$8,865,906 compared with an allocation of \$8,561,199 for the current year. The committee has provided \$5,500,000 which is a decrease of \$3,365,906 in the amount of the Budget estimate, or approximately 37 percent. The reduction will require a drastic rearrangement of the domestic program particularly in the fields of publications, posters, motion pictures, special services, and field operations.

Attention is invited to the part the Office of War Information has on the propaganda front in the prosecution of the war. It is most interestingly and graphically given in the statement of Director Elmer Davis commencing on page 669, part I, of the hearings, and the statement of Mr. Robert Sherwood, Director of the Overseas Operations Branch, commencing on page 741.

With respect to the Overseas Operations Branch the following is quoted from Mr. Davis' testimony:

In general the Overseas Branch, addressing the populations of foreign countries, has a very different mission from that of the Domestic Branch. As it is phrased in a recent policy directive:

"The overseas operation is essentially a propaganda operation—that is, it wields a weapon which must contribute to the winning of the war and the saving of the lives of American soldiers by shortening the war. The mission of the Overseas Branch falls into four categories:

"(a) In enemy countries its mission is to undermine and destroy the morale of the enemy population and thus to bring about a disintegration of the enemy's war effort.

"(b) In enemy-occupied countries its mission is to keep alive hope of liberation and stimulate resistance to the enemy forces of occupation, to the end that, when the day of actual invasion comes, there will be open revolt against the Germans and Japanese behind their own lines of battle.

"(c) In neutral countries its mission is to win the moral support of the neutral populations to the United Nations' cause, and to convince them of the inevitability of United Nations' victory.

"(d) In allied countries its mission is to counter all enemy propaganda aimed at dividing the United Nations, to promote the morale of our allies and their continued will to fight, and to foster a better understanding of the United States."

Our work in theaters of military operations follows the policies laid down by the Joint Chiefs of Staff; these other and more normal operations of our Overseas Branch follow the foreign policy of the United States. This is, of course, the policy laid down by the President and the State Department, unless that policy

should be modified by the Senate, in refusing its consent to a treaty; or by the Congress as a whole, in refusing legislation or appropriations necessary to carry out a given policy. Unless Congress should take such action we are bound by the policies laid down by the President; but we are obliged to remind foreign audiences, and we do so remind them, that no treaty can be ratified by the United States without the consent of the Senate. To insure that our propaganda policies actually are in conformity with current foreign policy we have daily contact with the State Department, and representatives of that Department, as well as of the Army and Navy, sit on the Planning Board which draws up the directives for our overseas operations.

WAR PRODUCTION BOARD

Salaries and expenses.—The sum recommended for the War Production Board is \$88,200,000. This is \$14,504,711 more than the funds available in 1943, \$73,695,289, and \$1,750,000 less than the Budget estimate, \$89,950,000. The funds cited for 1943 are exclusive of \$7,500,000 for the Smaller War Plants Corporation which is carried for the coming year in a separate account.

The Budget estimates for the Board provide for a decrease in man-year's of employment of approximately 3,500. However, this decrease includes approximately 800 on account of the separation of the funds of the Smaller War Plants Corporation so that the net decrease is approximately 2,700.

The committee has reduced the Budget estimate in the amount of \$1,750,000. This consists of a decrease of \$1,000,000 for a project for increasing the available lumber supply, \$136,000 for salaries for the Division of Information, \$56,250 from the funds for the War Utilities Office, \$185,400 in the allocation for travel, \$250,000 for special studies to be conducted by various agencies, \$97,760 for rent due to the removal of the construction division from New York to Washington, and \$20,000 for an appraisal of school facilities incident to granting of applications for priorities.

The increase over 1943 is \$14,504,711. This is accounted for partly by the additional sums required to carry the reduced force on an annual basis for the full year in 1944 as compared with a larger force for a smaller average employment for the year 1943, and including the necessary increases for travel, communications, rent, and other expenses on account of a full year's operation as contrasted with a lesser average operation in 1943. The principal change from 1943 is in the allocation for research which is increased from a total of \$2,750,000 to \$11,000,000. The objective of the research is to develop substitutes for critical materials, to maintain or increase the supplies of raw materials, and to improve production techniques.

Chairman Nelson advised the committee in connection with the 1944 Budget and the personnel reductions proposed that in attaining these figures the Board had put on too strenuous a campaign in retrenching and that the work in the past months had been affected by it. He expressed the view that it would be necessary to make adjustments in the coming fiscal year because the decrease had gone too far.

The work of the Board in the fiscal year 1944 will be in its most difficult and peak phase. The transition of the United States from

a peace economy to a war economy is illustrated graphically by data relating to gross national production:

[In billions of dollars]

| Calendar year | Gross national product | War | Nonwar |
|-----------------------------|------------------------|-----|--------|
| 1940 | 97 | 2 | 95 |
| 1941 | 119 | 14 | 105 |
| 1942 | 152 | 52 | 100 |
| 1943 (actual and estimated) | 180 | 90 | 90 |

Our gross national production has expanded from a total of \$97,000,000,000 in the calendar year 1940—\$2,000,000,000 for war purposes and \$95,000,000,000 for nonwar purposes—to \$180,000,000,000 estimated for the calendar year 1943—\$90,000,000,000 for each purpose. This seems to be very close to the limit of the Nation's total productive capacity and with perhaps a slight increase from the nonwar to the war proportion of the total.

The task of the Board is so clearly outlined in a portion of Chairman Nelson's statement that it is reproduced here:

In telling you of the job ahead, I shall describe it broadly first, and then deal more specifically with a few particular elements. The first major element in the task of the War Production Board will be that of exercising more and more precise controls over the production of a peak output of military equipment and supplies. This peak output measured in dollars will be approximately \$90,000,000,000 of munitions and war construction in 1944, according to present determinations of military requirements. I include in this figure, of course, munitions and supplies not only for the armed forces of the United States but also for the growing forces of our allies. This dollar volume represents the largest contribution to the successful prosecution of the war that we believe to be feasible. It represents, in other words, our maximum capacity to produce military goods and equipment and at the same time take care of civilian needs.

I cannot emphasize too strongly that this tremendous military production must very largely be carried out under the supervision, and in many instances the specific control, of the War Production Board, and not left to chance or entirely to the workings of private initiative. For instance, all strategic and critical materials will be produced and distributed according to programs and schedules, for which the War Production Board is primarily responsible. In the same manner, supervision of the construction and operation of new facilities, together with the utilization of existing facilities, are among our other important responsibilities.

In doing our work, we utilize wherever possible the services of existing agencies. For instance, actual procurement of military supplies is done by the War and Navy Departments. Working relations have been established with nearly every other governmental agency for purposes of avoiding duplication of efforts and increasing over-all Government efficiency. As Chairman of the War Production Board, however, I am responsible for the "exercise of general direction over the war procurement and production program." I have been doing that job and will continue to do it.

The second major element in our job is that of mobilizing resources for the civilian economy. For a long time we have been constantly doing advance planning for the day when the conversion of our productive capacity to war purposes would create a serious problem in maintaining a thriving civilian economy. That day has been reached or will be reached shortly. As a result the War Production Board finds itself confronted with the task of working out methods for assuring production for the civilian economy in a manner somewhat similar to that of managing the production of military goods. This task will be one of great importance, not only because of the absolute necessity for maintaining a healthy domestic economy for its own sake, but also because the entire purpose and objective of the civilian economy is to contribute the maximum potential output of military goods needed to win this war. There is too often a tendency to discuss the civilian population as something separate from the so-called military claimant

agencies, such as the Army, Navy, Maritime Commission, and Lend-Lease. Actually, however, no such clear-cut distinction is possible, because production for the programs of all the claimant agencies depends on keeping the civilian population in efficient working trim. That is an indispensable part of the over-all job of munitions production.

Smaller War Plants Corporation.—The Smaller War Plants Corporation operates subject to the direction of the Chairman of the War Production Board. For the fiscal year 1943, \$7,500,000 of the funds of the Corporation were made available for administrative expenses and merged with the appropriation of the Board. The purposes of the act were undertaken through the organizational units of the Board, particularly in the field. The results were not as satisfactory and the purposes of the act not attained in a degree hoped for when it was passed. On March 18 last, an order was issued transferring the Smaller War Plants Division of the Board, its funds, and personnel from the Board organization to the Corporation, and on April 19 an agreement was made concerning the respective functions of the Board and the Corporation in the field. Since May 1 the Corporation has been operating in the field as a separate entity, so that at this time it is free to function independently, subject to the general direction of the Chairman of the War Production Board as set forth in the order of March 18, and is in position to undertake vigorously and aggressively the action which Congress desires.

The committee was impressed with the testimony of Brig. Gen. R. W. Johnson, Chairman of the Board of Directors of the Corporation. He portrayed a comprehension of the scope of the task, a sympathy and understanding of the problems of the small plants, and an earnest and aggressive spirit.

General Johnson's views are briefly summarized in the following paragraphs:

First, that there is little in the record to indicate what should be a sound case history. There is little in the past that tells us what we should do in the future. It is rather hard to visualize the future. We do feel, though, today, that we have a fairly clear understanding of the problem. We are confident that we know how to solve it; we are confident that it is capable of rapid solution; we are confident that given the right men in the right places we can deliver to Congress the job that we are hired to do; and we believe it is a matter of a relatively short time, given the right tools, to put the vast majority of the small plants of America to work in the production of weapons or essential civilian needs. We think that thereafter, unless there are major changes in the economy, we can keep on top of the job.

Now, I would like to make every effort within the limits of my ability to say that this job is simple. It is not complex when boiled down to its essentials. It is entirely manageable, and it can be done. I feel quite confident of the staff in Washington. There have been a number of rearrangements made since February 8.

I feel that our relations with other governmental agencies are satisfactory and that within the next 60 days we will have a real organization organized throughout the country that will be in contact with every small plant everywhere, if we can go ahead. I am delighted at last to be able to say that this job can be done and explain it in as much detail as meets your wishes, as to how we shall do it.

The purposes of the act were aimed at the location of distressed small plants and an endeavor to supply them with war work suitable to their capacities. General Johnson advised the committee that, except for a few regions, the number of the plants is not now fully known. Their location and condition previously was undertaken by questionnaires which proved futile and unsatisfactory. It will be done in the future by personal contact of field personnel for location followed by engineering survey to determine the remedy.

The committee was advised that there are some 185,000 plants in the United States of which 100,000 do less than \$2,500,000 gross business per plant per year. A small plant is defined as (a) any plant with less than 500 employees, and (b) any plant having a small percentage of the industry in which it operates. The number of small plants in distress at the time of the hearing is roughly estimated at 3,500 and a distressed plant is defined as one which is operating at two-thirds of normal (before the war). These data are subject to frequent change as the status of the business of the plants varies.

The program under the act provides for loans and for assistance in getting contracts and subcontracts for the plants in distress or if not in distress to keep them from getting into distress. Loaning operations have been so far a minor function of the corporate business and General Johnson estimated that approximately 85 percent of the function of the corporation would be devoted to finding distressed plants and getting them work.

It should not be inferred that the Smaller War Plants Corporation has not been of assistance in the past to small business. It has, but not as much as it should have been. Data furnished the committee indicates that, while no specific figures can be submitted as to the total number of small plants that have been designated for contracts by the Corporation, prime contracts, with a value of \$714,000,000, arranged with the assistance of the Corporation, have been placed with 3,891 firms, and subcontracts, with a value of \$242,000,000, have been placed with 4,101 firms. The total firms so aided is approximately 8,000 in a total contract value of \$956,000,000.

The committee recommends the amount of the Budget estimate which is \$12,006,000, payable from the funds of the Corporation. This is an increase of \$4,506,000 in the amount made available to the War Production Board for administration of the act in 1943. The Budget calls for increases in personnel in Washington and in the field in numbers approximating 400 more than the like numbers engaged under the organization of the War Production Board on this work in 1943. In the discussions during the hearings it developed that the amount of the Budget estimate is below what the Chairman of the Board believes is necessary to accomplish the task. The committee is not inclined to increase the Budget figure but if results are obtained and can be conclusively demonstrated the committee will later in the year consider supplementing the figure.

The capital stock of the Corporation was placed in the act at \$150,000,000. A balance sheet of the Corporation as of May 31, 1943, is found on page 559 of the hearings, part II. Deducting the \$7,500,000 for administrative expenses for the year 1943 left a balance of \$142,500,000. Cash on hand on that date totaled \$137,939,812.44 and receivables accounted for \$4,275,015.82. There has been an operating loss slightly in excess of \$5,000. Otherwise the fund is intact.

WAR RELOCATION AUTHORITY

The amount of the Budget estimate, \$48,170,000, is recommended. This is a decrease of \$27,299,648 in the amount of the funds available in 1943, \$75,469,648.

The appropriations for 1943 were based upon an estimated evacuee population of 132,000. The number at no time during the year has exceeded 110,000. The Budget estimate for 1944 is based upon an

average number of 100,000 and the total at the end of May was 98,623. The number in the centers is exclusive of 12,799 on leave of absence from camps to engage in employment outside. This number is classified as follows: 5,280 on seasonal work leave, 657 on short-term leave, and 6,862 on indefinite leave.

The reduction under the 1943 funds is due to the elimination of nonrecurring items for construction, equipment, and supplies in preparing the centers for occupancy and improving the lands and property, the decrease in the number of estimated evacuees to be cared for, and loans to cooperative enterprise within the centers to be operated by the evacuees. The 1944 funds make provision for the maintenance of 100,000 evacuees, the management and care of evacuee property of approximately \$200,000,000 value, and for necessary personnel in operating the relocation program outside the centers. Provision is also made for the care of 550 institutionalized Japanese on the west coast who cannot be moved to the centers.

The original program called for the establishment of 14 centers. The number has been confined to 10 main centers and an isolation center. A list of the centers and their population will be found on pages 699 and 708 of part II of the hearings. The isolation center has been established for the care of troublemakers who cannot be handled through the courts or sent to alien detention camps. The capacity of the center is 300 and the present population is 55.

The Budget estimate is predicated upon approximately 30,000 of the evacuees being absent from the centers during the coming year on various types of leave of absence. The number at present, as heretofore stated, is approximately 13,000.

The leave regulations in force provide that persons in the relocation centers, citizen or alien, can make application for leave (1) provided they had a place to go and could take care of themselves outside of the evacuated area; (2) provided the War Relocation Authority was reasonably assured that the community they were moving into would accept them; (3) provided the War Relocation Authority was reasonably assured they were not dangerous from the standpoint of the internal security of the country; and (4) provided they would keep the War Relocation Authority informed about their movements. On the last point all aliens are required under the law to report to the United States attorney, but citizens do not have to do so.

The following statement underlying the leave policy has been furnished the committee by the Director:

The War Relocation Authority recognizes three principal considerations in the granting of permits to leave the relocation centers. First is the security of the Nation; second is the need for all available manpower to engage in the war effort; third is the undesirability of holding loyal American citizens and law-abiding aliens without charge.

The War Relocation Authority feels that it is in the public interest for law-abiding aliens and loyal citizens to be permitted to make a contribution to the war effort through productive work in normal communities. Accordingly, it is following a policy of granting permits of indefinite or seasonal leave to eligible evacuees. The clearance procedures followed embody proper precautions for the national security. The War Relocation Authority has extensive information concerning each evacuee. In addition it has available the cooperation of the Federal Bureau of Investigation and other Government intelligence agencies which provide information from their records upon request concerning individual persons. No evacuee is permitted to leave the relocation center if there is anything in his record to indicate that it would be undesirable for him to live outside a relocation center.

The committee has questioned the Director closely on the question of granting leave. He has advised that there are not more than 2,000 or 3,000 evacuees whom they do not have a complete record on and are not giving leave to anyone unless there is a complete record as a basis for check. He also advised the committee that War Relocation Authority had received no reports of sabotage or espionage or disloyalty on the part of any evacuee on leave.

There is good reason supporting the leave policy of the War Relocation Authority. The committee is emphatic, however, in expressing the opinion that the records of all persons relocated outside the centers should be of such character as to be doubly assuring concerning their eligibility for release.

The amount carried in the bill provides for all maintenance and operation expenses of the 10 centers and the isolation center. Provision is also made for the purchase of livestock, fertilizer, and seed for farming operations with a view to making the centers more nearly self-supporting as to food and for the purchase of supplies and materials for continuing necessary maintenance construction and improvements on the land. The War Relocation Authority estimates the value of the produce from the centers in the coming year at \$5,000,000. The cost of operations exclusive of administrative expenses of the Washington office, the field offices, and maintenance of institutionalized evacuees, is approximately \$44,000,000. This is on a daily basis per capita of \$1.20 or \$440 per evacuee per annum. The daily cost includes 45 cents for the ration and the remainder encompasses all costs for pay of evacuees, project management, construction and maintenance, education, health, transportation costs, clothing and assistance grants, etc. This detail is set forth on page 714 of the hearing. The number of evacuees estimated to be engaged in paid employment in the centers during the year is 53,000 out of a total estimated population of 100,000. The distribution in types of work and the total amount estimated to be paid is found on page 777 of the hearing.

The cost of the daily ration is 45 cents per capita. Rationing is observed in the camps by the issuance of food from storehouses to messes on the national rationing basis. Centers which do not produce their own milk are limited to fresh milk for infants, nursing mothers, pregnant women, and persons, who by medical direction, require a special diet. A statement respecting the food policy is found on page 760 of the hearings.

The committee desires to call attention to the following statement of the Director as to policy, operation, and direction of the relocation program:

I want to say to the committee that we are ready to present any facts that we have to this committee, or any other committee, or any other body that is interested in them. It has taken time for us to develop our program. Up until the first of the year we had to devote the major portion of our time to getting our project work in order, getting a staff developed and trained. We have not had adequate records of the individual evacuees until very recently. We do not have all the records that we would like, but we are getting them very fast now. It is only in the last month or two that I have felt that we have had an experienced group to handle our program in the centers, but I feel now we have not only an experienced but a very competent group. I think that we are getting adequate records of the folks that are there. I am confident that we are taking more than reasonable care in checking people who go out from the centers. We have had collaboration from many other governmental agencies. I feel very strongly that

this program of relocation is one that should be followed through. We should proceed with relocation during the war rather than after the war.

We believe that American citizens and law-abiding aliens who have good records had better be living in normal communities and contributing to the war effort rather than being held in the centers where they create a problem for everyone. We believe that that is important not only from the standpoint of expenditures to the Government, but from the standpoint of what we are fighting for. We are proceeding in a way we think the United States should operate in relation to minority groups rather than the way Hitler would do it, realizing at the same time that there is much misunderstanding and much misinformation. We think we are now in a position to clarify the facts in relation to the program. We have had very adequate collaboration from the other agencies including the War Department, the Federal Bureau of Investigation, and the other intelligence agencies, and with the Justice Department with whom we operate very closely.

I would like to point out for the record that there are about 2,000 Japanese aliens interned in camps who are considered dangerous to the internal security of the United States. Those are not residents in relocation centers. The relocation program was started to help people move out into new areas; only because of the difficulty of doing it quickly were the relocation centers established as temporary homes until we could get organized to do a more systematic job of relocating the people involved. We consider that to be our task.

WAR SHIPPING ADMINISTRATION

The largest single appropriation in the bill is for this Administration. The total approved is \$2,272,350,000, which is an increase of \$1,073,989,583 over comparable 1943 funds and a decrease in the Budget estimate of \$100,000,000. This amount is part of an item for the purchase of cargo vessels constructed in Canada.

The War Shipping Administration owns or charters and operates all of the seagoing ships of the United States not directly in the service of the Army or Navy. The approved construction program provides for more than 4,400 ships and these are coming into commission at a rapid and increasing rate. The number of ships and the total tonnage to be operated by the War Shipping Administration in 1944 will be more than double that in 1943. An added fiscal burden is placed upon the revolving fund of the War Shipping Administration and removed from the funds of the Army, Navy, and Post Office Departments, due to service to these agencies without reimbursement. The additional amount estimated on account of this free service is between \$200,000,000 and \$300,000,000.

The task of the War Shipping Administration is the largest cargo shipping operation in the history of the World. Cargoes must go to all quarters of the globe. Compared to World War I the activity is almost incomprehensible and the results magnificent. In the last war our transportation problem was limited largely to the 6,500-mile round voyage to France. In this war, military supplies are moving over the 17,000-mile round voyage to Australia and the 28,000-mile round voyage to the Persian Gulf. Vessels go to north Russia, the United Kingdom, northwest and west Africa, the Red Sea, Persian Gulf, India, Australia, Alaska, the southwest Pacific, and the Western Hemisphere ports. A recent division of the tonnage indicates its war character: 41 percent is Army cargo, 13 percent is Navy cargo, 30 percent is lend-lease cargo, and 16 percent is for the civilian economy of which about one-half is for transporting essential raw materials for war plants. Thus more than 90 percent of the vessels operated by War Shipping Administration are engaged in transporting direct or indirect military cargo.

30 NATIONAL WAR AGENCIES APPROPRIATION BILL, 1944

The amount approved for the revolving fund is \$2,200,000,000 which is \$1,050,000,000 more than the amount available in 1943. The committee is advised of the number of ships, their character and tonnage, and the total tonnage to be operated in 1944, which for obvious reasons is not in the printed record.

The sum recommended includes \$223,110,000 on account of obligations for the fiscal year 1943 resulting from the free transportation of cargo for the Army, Navy, and Post Office Departments not contemplated when the 1943 funds were made available.

Total charges against the War Shipping revolving fund in fiscal 1944, including the 1943 obligations, are estimated at \$3,216,000,000. Revenues to be received include \$400,000,000 from commercial cargo and \$616,000,000 on account of lend-lease cargo to be defrayed from lend-lease funds, leaving a total appropriated amount necessary in this bill of \$2,200,000,000. The gross amount of \$3,216,000,000 is roughly divided into the following categories of expense:

| | |
|-----------------------------------------------|---------------|
| Ship hire and handling..... | \$600,000,000 |
| Stevedoring and cargo handling..... | 440,000,000 |
| Fuel and ship supplies..... | 440,000,000 |
| Wages and bonuses..... | 440,000,000 |
| Purchase and reconditioning of ships..... | 290,000,000 |
| War-risk insurance premiums..... | 390,000,000 |
| 1943 obligations (budget deficit)..... | 223,000,000 |
| Maintenance and war-damage repairs..... | 207,000,000 |
| Defense installations..... | 176,000,000 |
| Administrative and miscellaneous expense..... | 10,000,000 |

| | |
|----------------------------------------|---------------|
| Estimated total 1944 expenditures..... | 3,216,000,000 |
|----------------------------------------|---------------|

Training of personnel and manning of the augmented fleet is a tremendous task. The construction program of the Maritime Commission of 4,403 ships is estimated to require a complement of approximately 35,000 officers and 145,000 seamen, including personnel for the deck, engineer, and stewards departments, and radio operators, in addition to the personnel in the present fleet. The amount approved for the fiscal year 1944 is \$72,000,000, which provides for 54,000 new men in training, 6,500 cadets in training, 8,400 officers coming up from the ranks who must be replaced by unlicensed men, and 3,100 radio trainees. Included in the total of \$72,000,000 is an amount of \$5,500,000 for payment of obligations for the fiscal year 1943. The major part of this deficit results from the application to the maritime service of the pay scales of the Coast Guard effective by law as of July 1, 1942, and not contemplated when the 1943 appropriation was made. Included also in the maritime training fund is provision for health and service facilities for seamen and for rest homes in this country and similar service for our seamen in foreign countries.

The American merchant marine is rendering a heroic service and writing an illustrious chapter in this war. When the full history of World War II is written, the programs, the administration, and the functioning of the Maritime Commission and the War Shipping Administration, both through construction and operation, from the top

admiral down the commissioned line to ships' officers and seamen and from the civilian directory to the supplementary civilian personnel, will be found to be a significant contribution to victory.

DIVISION OF CENTRAL ADMINISTRATIVE SERVICES

Funds are recommended for this Division in the total sum of \$9,567,200, consisting of \$8,817,200 for salaries and expenses and \$750,000 for a working fund. The amount for salaries and expenses is \$976,680 less than Budget estimate and \$4,863,926 less than the 1943 total.

The Division is a service agency for the constituent agencies of the Office for Emergency Management, furnishing for them fiscal service; procurement and supply of administrative supplies, equipment, and contractual services; space; communications service, including central telephone and teletype systems and mail and messenger service; repair and maintenance service for office machines, furniture and motor equipment; distribution of operating forms and printed material, and duplicating service by the various reproductive processes except printing. All of the foregoing services are furnished without charge to agency appropriations except duplicating services which under the appropriation in the bill are to be financed from a working fund and paid for by the agencies from their appropriations on an order and billing basis for the work performed.

During the fiscal year 1943 the Division performed personnel service for the various agencies which has now been taken over by them on their own account with the Civil Service Commission rendering personnel service in the field. Fiscal work of the War Production Board and Office of Price Administration will be performed by those agencies with their own funds in 1944.

The decrease under 1943 appropriations results from the transfer of personnel functions to the constituent agencies and the Civil Service Commission, the transfer of fiscal functions of the War Production Board and Office of Price Administration to them, a net increase to enable the Central Administrative Services to perform for the United States Employment Service central administrative services for its field offices, and a reduction due to more efficient operation.

In making the decrease of 10 percent in the Budget estimate for salaries and expenses the committee has taken into consideration the fact that the estimate of the Central Administrative Services was based upon the estimates of the constituent agencies. The committee has made decreases in the funds of the agencies contained in this bill and in the funds of the United States Employment Service of the War Manpower Commission in the Federal Security Agency bill for 1944. The sum eliminated has been based on these decreases.

The working capital fund is reduced from \$900,000 to \$750,000. The amount was based on turning the fund over once in approximately 3 months. The committee feels that this is too long a period for this type of reimbursable service and has accordingly cut the fund so that it would be on a little more than a 2 months' basis. As this is inter-

32 NATIONAL WAR AGENCIES APPROPRIATION BILL, 1944

agency business of a simple type there should not be great delay in the payment of the bills.

LIMITATIONS OR LEGISLATIVE PROVISIONS

The following limitations or legislative provisions, not heretofore carried in connection with any of the constituent agencies of the Office for Emergency Management or the Executive Office of the President, are recommended:

On pages 5, 11, and 35:

Provided, That such sums as are included in this appropriation for special projects (classified in the estimates submitted to Congress as or under "Other contractual services") may be expended for travel expenses, printing and binding, and purchase of motor-propelled passenger-carrying vehicles without regard to the limitations specified for such objects under this appropriation but within such amounts as the Director of the Bureau of the Budget may approve therefor and such Director shall report to Congress each such limitation determined by him.

On page 11:

Provided further, That any employee of the Office of Price Administration is authorized and empowered, when designated for the purpose by the head of the agency, to administer to or take from any person an oath, affirmation, or affidavit when such instrument is required in connection with the performance of the functions or activities of said Office.

On page 15, in connection with the Office of Strategic Services:

Provided, That \$23,000,000 of this appropriation may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds or the employment of persons in the Government service, and \$21,000,000 of such \$23,000,000 may be expended for objects of a confidential nature, such expenditures to be accounted for solely on the certificate of the Director of the Office of Strategic Services and every such certificate shall be deemed a sufficient voucher for the amount therein certified: Provided further, That this appropriation shall not be available for the salary of any person who, at the time of his employment hereunder, is in the active service of the armed forces of the United States.

On page 17, in connection with the Division of Central Administrative Services:

Provided, That a separate schedule of expenditures and reimbursements and a statement of the current assets and liabilities of the working capital fund as of the close of the last completed fiscal year shall be included in the annual Budget.

On page 23:

That the Director of the Office of Scientific Research and Development may sell, lease, lend, or otherwise dispose of, under such terms and conditions as he may deem advisable, devices, scientific or technical equipment, models, or other articles of personalty, developed, constructed, produced in or purchased for the performance of its scientific or medical contracts, except articles acquired for administrative purposes, and all receipts from such disposition to nongovernmental agencies shall be covered into the Treasury as miscellaneous receipts.

On page 26, in connection with the Office for War Information:

Provided, That, exclusive of amounts for unvouchered funds and the contingency fund, not more than \$22,500,000 (including living and quarters allowances) shall be allocated to the Overseas Operations Branch and not more than \$5,500,000 shall be allocated to the Domestic Operations Branch:

* * * * *
Provided further, That \$5,000,000 of this appropriation shall not be available for expenditure unless the Director of the Office of War Information, with the approval of the Director of the Bureau of the Budget, shall determine that such funds in addition to the other funds provided herein are necessary for carrying on activities in conjunction with actual or projected military operations. Provided, That no more than \$186,000 of this sum shall be allocated to the Information Division.

On page 28, in connection with the War Production Board:

: *Provided, That not more than \$136,000 of this sum shall be allocated for salaries of the Information Division.*

On page 29:

And provided further, That the limitation placed on the amount available for travel expenses for the War Relocation Authority shall not apply to travel of evacuees and their escorts incident to transfers and relocation.

On page 37:

*The head of any of the constituent agencies is authorized * * * to designate certifying officers in accordance with the Act of December 29, 1941, or to delegate authority to the Director of the Division of Central Administrative Services to designate employees of such Division as certifying officers to certify vouchers payable against the funds of the constituent agency concerned.*

On page 38:

SEC. 202. The appropriations and authority with respect to appropriations contained herein for the fiscal year 1944 shall be available from and including July 1, 1943, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between June 30, 1943, and the date of the enactment of this Act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.

NATIONAL WAR AGENCIES APPROPRIATION BILL, FISCAL YEAR 1944

Comparative statement of the amounts available for the fiscal year 1943, the Budget estimates for the fiscal year 1944, and the amount recommended in the accompanying bill for 1944

| House Doc. No. | Agency | Amount available, fiscal year 1943 | Budget estimate, fiscal year 1944 | Amount recommended for 1944 in bill | Increase (+) or de- crease (-), bill com- pared with 1943 | Increase (+) or de- crease (-), bill com- pared with Budget estimate |
|----------------------|-------------------------------------------------------------|---------------------------------------|--------------------------------------|----------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------------------|
| | EXECUTIVE OFFICE OF THE PRESIDENT | | | | | |
| 164 | Board of Economic Warfare----- | \$22,943,846 | \$36,150,000 | \$36,150,000 | +\$13,206,154 | ----- |
| 147 | Censorship, Office of----- | 27,280,000 | 29,998,400 | 27,800,000 | +520,000 | -\$2,198,400 |
| 166 | Petroleum Administration for War----- | 4,381,413 | 5,473,000 | 5,473,000 | +1,091,587 | ----- |
| 204 | Price Administration, Office of----- | 120,000,000 | 177,335,000 | 165,000,000 | +12,335,000 | ----- |
| 205 | Strategic Services, Office of----- | 31,233,680 | 38,476,000 | 35,000,000 | +3,766,320 | -\$3,476,000 |
| | Office for Emergency Management: | | | | | |
| 199 | Central Administrative Serv- ices, Division of: | | | | | |
| | Salaries and expenses----- | 13,681,126 | 9,796,880 | 8,817,200 | -4,863,926 | -979,680 |
| | Working capital fund----- | ----- | 900,000 | 750,000 | +750,000 | -150,000 |
| 153 207 | Civilian Defense, Office of----- | 7,447,075 | 5,746,522 | 4,000,000 | -3,447,075 | -1,746,522 |
| 148 | Coordinator For Inter-Ameri- can Affairs, Office of----- | 37,020,753 | 133,860,000 | 130,685,000 | -6,335,753 | -3,175,000 |

| | | | | | | |
|-----|------------------------------------------------------|--------------------------|-------------------------------|-------------------------------|----------------------------|-----------------|
| 138 | Defense Transportation, Office of----- | 14, 416, 515 | 14, 900, 000 | 14, 650, 000 | + 233, 485 | - 250, 000 |
| 159 | Economic Stabilization, Office of----- | 100, 000 | 100, 000 | 100, 000 | | |
| 196 | Liaison Office----- | 113, 000 | 62, 320 | | - 113, 000 | - 62, 320 |
| 178 | National War Labor Board----- | 6, 228, 050 | 14, 341, 300 | 13, 841, 300 | + 7, 613, 250 | - 500, 000 |
| 157 | Scientific Research and Development, Office of----- | 138, 997, 120 | 135, 982, 500 | 135, 982, 500 | - 3, 014, 620 | |
| 165 | War Information, Office of----- | 35, 847, 292 | 47, 342, 000 | 34, 472, 504 | - 1, 374, 788 | - 12, 869, 496 |
| 202 | War Production Board----- | 73, 695, 289 | 89, 950, 000 | 88, 200, 000 | + 14, 504, 711 | - 1, 750, 000 |
| 215 | Smaller War Plants Corporation----- | ² 7, 500, 000 | ² 12, 006, 000 | ² 12, 006, 000 | ² + 4, 506, 000 | |
| 167 | War Relocation Authority----- | 75, 469, 648 | 48, 170, 000 | 48, 170, 000 | - 27, 299, 648 | |
| 163 | War Shipping Administration: | | | | | |
| | Revolving fund for operation, charter hire, etc----- | 1, 150, 000, 000 | 2, 300, 000, 000 | 2, 200, 000, 000 | + 1, 050, 000, 000 | - 100, 000, 000 |
| | Maritime training----- | 48, 000, 000 | 72, 000, 000 | 72, 000, 000 | + 24, 000, 000 | |
| | State Marine Schools----- | 360, 417 | 350, 000 | 350, 000 | - 10, 417 | |
| | Total, War Shipping Administration----- | 1, 198, 360, 417 | 2, 372, 350, 000 | 2, 272, 350, 000 | + 1, 073, 939, 583 | - 100, 000, 000 |
| | Grand total----- | 1, 807, 215, 224 | ¹ 3, 060, 933, 922 | ¹ 2, 921, 441, 504 | + 1, 114, 226, 280 | - 139, 492, 418 |

¹ Plus contract authority of \$18,000,000.² Limitation on amount from capital stock that may be used for administrative expenses.

1945
Fiscal Year

055



78TH CONGRESS } HOUSE OF REPRESENTATIVES { DOCUMENT
2d Session } { No. 512

ESTIMATES OF APPROPRIATION FOR THE OFFICE OF
STRATEGIC SERVICES

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

THE BUDGET FOR THE OFFICE OF STRATEGIC SERVICES FOR THE
FISCAL YEAR 1945 CONTAINING ESTIMATES OF APPROPRIATION
AMOUNTING TO \$57,000,000 AND PROPOSED PROVISIONS AFFECT-
ING SAID ESTIMATES

MARCH 24, 1944.—Referred to the Committee on Appropriations and ordered to
be printed

THE WHITE HOUSE,
Washington, March 23, 1944.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration
of Congress the budget for the Office of Strategic Services for the
fiscal year 1945 containing estimates of appropriation amounting
to \$57,000,000 and proposed provisions affecting said estimates.

The letter of the Director of the Bureau of the Budget in connec-
tion with this budget is transmitted herewith.

Respectfully,

FRANKLIN D. ROOSEVELT.

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ESTIMATES OF APPROPRIATIONS

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., March 23, 1944.

The PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration the budget for the Office of Strategic Services for the fiscal year 1945 containing estimates of appropriation amounting to \$57,000,000. The details of these estimates and proposed provisions are transmitted herewith.

I recommend that the budget be transmitted to Congress.

Very respectfully,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF STRATEGIC SERVICES

Salaries and Expenses, Office of Strategic Services—

Salaries and expenses: For all expenses necessary to enable the Office of Strategic Services to carry out its functions and activities, including salaries of a Director at \$10,000 per annum, one assistant director and one deputy director at \$9,000 per annum each; [utilization of voluntary and uncompensated services;] procurement of necessary services, supplies and equipment without regard to section 3709, Revised Statutes; travel expenses, including [(1) expenses of attendance at meetings of organizations concerned with the work of the Office of Strategic Services, (2) actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons serving while away from their homes without other compensation from the United States in an advisory capacity, and (3)] expenses outside the United States without regard to the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821-833) [and section 901 of the Act of June 29, 1936 (46 U. S. C. 1241)] and any general provision for the fiscal year 1945 to the contrary; preparation and transportation of the remains of officers and employees who die abroad or in transit, while in the dispatch of their official duties, to their former homes in this country or to a place not more distant for interment, and for the ordinary expenses of such interment; [purchase and exchange of lawbooks and books of reference;] rental of news-reporting services; purchase of or subscription to commercial and trade reports, newspapers, and periodicals; the rendering of such gratuitous services and the [free distribution] disposition, free or otherwise, of such materials as the Director deems advisable; purchase or rental and operation of photographic, reproduction, duplicating and printing machines, equipment, and devices and radio-receiving and radio-sending equipment and devices; maintenance, operation, repair, and hire of motor-propelled or horse-drawn passenger-carrying vehicles and vessels of all kinds; printing and binding; [payment of living and quarters allowances to employees with official headquarters located abroad in accordance with regulations approved by the President on December 30, 1942;] exchange of funds without regard to section 3651, Revised Statutes (31 U. S. C. 543); purchase and free distribution of firearms, guard uniforms, special clothing, and other personal equipment; [the use of and payment for compartments or other superior accommodations considered necessary by the Director of Strategic Services or his designated representatives for security reasons or the protection of highly technical and valuable equipment] the cost of a compartment or such other accommodations as may be authorized by the Director for security when authorized personnel are required to transport secret documents or hand baggage containing highly technical and valuable equipment; [\$35,000,000] \$57,000,000, of which amount such sums as may be authorized by the Director of the Bureau of the Budget may be transferred to other departments or agencies of the Government, either as advance payment or reimbursement of appropriation, for the performance of any of the functions or activities for which this appropriation is made: *Provided, That* [\$23,000,000] \$37,000,000 of this appropriation may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds or the employment of persons in the Government service, and [\$21,000,000] \$35,000,000 of such [\$23,000,000] \$37,000,000 may be expended for objects of a confidential nature, such expenditures

ESTIMATES OF APPROPRIATIONS

to be accounted for solely on the certificate of the Director of the Office of Strategic Services and every such certificate shall be deemed a sufficient voucher for the amount therein certified (*Act of July 12, 1943, Public Law 139*).

Estimate 1945, \$57,000,000

Appropriated 1944, \$35,000,000

| By objects | Obligations | | | | | | |
|----------------------------------------------|----------------|-----------------|----------------|-----------------|---------------|-----------------|--------|
| | Estimate, 1945 | | Estimate, 1944 | | Actual, 1943 | | |
| PERSONAL SERVICES, DEPARTMENTAL | Man- years | Total salary | Man- years | Total salary | Man- years | Total salary | |
| Statutory: | | | | | | | |
| Assistant director..... | 1 | \$9,000 | 1 | \$9,000 | 1 | \$9,000 | |
| Clerical, administrative and fiscal service: | | | | | | | |
| Grade 15. Range \$8,000 to \$9,000: | | | | | | | |
| Assistant chief of branch..... | 2 | 17,000 | 1.8 | 15,200 | 0.4 | 3,200 | |
| Chairman, planning group..... | 1 | 8,000 | 1 | 8,000 | 0.6 | 4,800 | |
| Chief of branch..... | 3 | 25,000 | 8 | 25,000 | 1 | 9,000 | |
| Chief of operations..... | | | | | 0.2 | 1,750 | |
| Inspector..... | 1 | 8,000 | | 0.5 | 4,000 | | |
| Member, planning group..... | 2 | 16,000 | | 1.5 | 12,000 | | |
| Special assistant..... | 1 | 8,000 | | 0.6 | 4,800 | | |
| Special relations officer..... | 1 | 8,000 | 1 | 8,000 | 1 | 8,000 | |
| Vice chairman, advisory committee..... | 1 | 8,000 | | 0.5 | 4,000 | | |
| Grade 14. Range \$6,500 to \$7,500: | | | | | | | |
| Area operations officer..... | | | | 0.5 | 3,250 | 0.2 | 1,300 |
| Assistant special relations officer..... | 1 | 6,500 | | 0.5 | 3,250 | | |
| Assistant to deputy director..... | 0.5 | 3,250 | | | | | |
| Chief of branch..... | 1 | 6,500 | | 1 | 6,500 | | |
| Chief of division..... | 2 | 13,000 | | 1.5 | 9,750 | 1.9 | 12,350 |
| Deputy chief of branch..... | 1 | 6,500 | | 0.5 | 3,250 | 0.4 | 2,600 |
| Executive officer..... | | | | | | 0.4 | 2,600 |
| Special assistant..... | 1 | 6,500 | 1 | 6,500 | | 3.9 | 26,250 |
| Grade 13. Range \$5,600 to \$6,400: | | | | | | | |
| Administrative officer..... | 2 | 11,200 | 1.2 | 6,720 | 5.4 | 30,240 | |
| Area operations officer..... | 3 | 16,800 | | 1 | 5,600 | 0.2 | 1,120 |
| Assistant chief, liaison office..... | 1 | 5,600 | | 1 | 5,600 | | |
| Assistant chief of branch..... | 2 | 11,200 | 1.6 | 8,960 | | | |
| Assistant chief of division..... | | | | | 0.2 | 1,120 | |
| Assistant inspector..... | 0.5 | 2,800 | | 0.5 | 2,800 | | |
| Assistant operations officer..... | 2.5 | 14,000 | | 1.6 | 8,960 | | |
| Assistant planning officer..... | 0.5 | 2,800 | | | | | |
| Chief of branch..... | 2 | 11,200 | | 1.5 | 8,400 | 2.4 | 13,440 |
| Chief of division..... | | | | | | 0.5 | 2,800 |
| Chief of section..... | 2 | 11,200 | | 1 | 5,600 | 0.5 | 3,200 |
| Chief of unit..... | 1 | 5,600 | | 1.6 | 8,960 | | |
| Field representative..... | 0.5 | 2,800 | | 0.5 | 2,800 | 0.2 | 1,120 |
| Liaison officer..... | 3 | 16,800 | | 2.5 | 14,400 | | |
| Security officer..... | | | | 0.1 | 560 | 0.7 | 3,920 |
| Special assistant..... | 4 | 22,400 | | 2.6 | 14,600 | 4.3 | 24,450 |
| Theater officer..... | 1 | 6,400 | 1 | 6,400 | | | |
| Grade 12. Range \$4,600 to \$5,400: | | | | | | | |
| Administrative officer..... | | | | 0.9 | 4,140 | 12.6 | 57,960 |
| Assistant area operations officer..... | 3 | 13,800 | | 1.9 | 8,740 | | |
| Assistant chief of branch..... | 1 | 4,600 | | 0.8 | 3,680 | 2.6 | 11,960 |
| Assistant chief of division..... | | | | | | 0.1 | 460 |
| Assistant chief of section..... | | | | | | 0.7 | 3,500 |
| Assistant to planning officer..... | 1 | 4,600 | | 0.5 | 2,300 | | |
| Budget analyst..... | | | | 0.5 | 2,300 | | |
| Chief of division..... | 2 | 9,200 | | 0.8 | 3,680 | 0.1 | 460 |
| Chief of section..... | 1 | 4,600 | | 0.5 | 2,300 | | |
| Chief of unit..... | 1 | 4,600 | | 0.9 | 4,140 | | |
| Executive officer..... | 1 | 4,600 | | 0.5 | 2,300 | | |
| Intelligence officer..... | | | | | | 0.1 | 460 |
| Operations assistant..... | 4 | 18,400 | 3 | 13,800 | | | |
| Plans reports officer..... | 1 | 4,600 | | 0.5 | 2,300 | | |
| Research technician..... | | | | | | 1.2 | 5,520 |
| Special assistant to chief of branch..... | 2 | 9,200 | | 0.7 | 3,220 | | |
| Special reports officer..... | 1 | 4,600 | | 0.6 | 2,760 | | |
| Writer..... | 1 | 4,600 | | 1 | 4,600 | | |
| Grade 11. Range \$3,800 to \$4,600: | | | | | | | |
| Administrative officer..... | 3.5 | 24,700 | 3.2 | 12,160 | 12.1 | 45,980 | |
| Assistant administrative officer..... | 1 | 3,800 | | 0.5 | 1,900 | | |
| Assistant area operations officer..... | 3 | 30,400 | 6 | 22,800 | | | |
| Assistant chief of branch..... | 1 | 3,800 | | 1.2 | 4,560 | | |
| Assistant chief of division..... | 1 | 3,800 | | | | | |
| Assistant chief of section..... | 1 | 3,800 | | 0.5 | 1,900 | | |
| Assistant chief of unit..... | | | | 0.5 | 1,900 | | |
| Assistant security officer..... | | | | | | 0.3 | 1,140 |

OFFICE OF STRATEGIC SERVICES

5

| By objects | Obligations | | |
|---------------------------------------------------------|----------------------------|----------------------------|----------------------------|
| | Estimate, 1945 | Estimate, 1944 | Actual, 1943 |
| PERSONAL SERVICES, DEPARTMENTAL—CON. | | | |
| Clerical, administrative, and fiscal service—Continued. | Man- Total years salary | Man- Total years salary | Man- Total years salary |
| Grade 11. Range \$3,800 to \$4,600—Con. | | | |
| Assistant to chief of division | | 0.5 \$1,900 | |
| Assistant to executive officer | 1 3,800 | 0.5 1,900 | |
| Chief of division | 4 15,200 | 3.4 12,920 | 0.9 \$3,420 |
| Chief of section | 2 7,600 | 2.8 10,640 | 2.5 9,500 |
| Chief of unit | 2 7,600 | | |
| Classification analyst | 1 3,800 | 0.5 1,900 | |
| Field interviewer | 1 3,800 | 0.5 1,900 | |
| Field investigator | 3 11,400 | 4 15,200 | |
| Field representative | 1 3,800 | 1 3,800 | 6.3 23,940 |
| Film research technician | 1 3,800 | 1 3,800 | 2.6 9,880 |
| Film technician | 1 3,800 | 1 3,800 | 0.3 1,140 |
| Graphic designer | 2 7,600 | 1.7 6,460 | 3.1 11,780 |
| Inspector | 1.6 5,700 | 1 3,800 | |
| Interviewer | 0.5 1,900 | | |
| Investigator | 1 3,800 | 0.7 2,660 | |
| Liaison officer | 1 3,800 | 0.5 1,900 | |
| Management analyst | 3 11,400 | 1.9 7,220 | |
| Operations officer | | | 0.2 760 |
| Photographic research editor | | | 1.3 4,940 |
| Psychological warfare analyst | | | 0.2 760 |
| Research technician | | 0.5 1,900 | 0.3 1,140 |
| Sound scorer | 1 3,800 | 0.7 2,660 | 0.4 1,520 |
| Selection officer | 1 3,800 | 0.4 1,520 | |
| Supply officer | 3 11,400 | 1.5 5,700 | |
| Training officer | 1 3,800 | 0.4 1,520 | |
| Grade 9. Range \$3,200 to \$3,800: | | | |
| Accountant | | | 2.5 8,000 |
| Administrative assistant | 16.5 52,800 | 13.8 44,160 | 16.5 52,800 |
| Analyst | 1 3,200 | 0.3 960 | |
| Assistant area operations officer | | 0.9 2,880 | |
| Assistant chief of branch | | 0.5 1,600 | |
| Assistant chief of division | 5.5 17,600 | 3.8 12,160 | |
| Assistant chief of section | | 0.5 1,600 | 0.8 2,560 |
| Assistant to chief (message center) | 1 3,200 | 0.5 1,600 | |
| Assistant training officer | 1 3,200 | | |
| Auditor | | 0.5 1,600 | |
| Cable officer | 4 12,800 | 3 9,600 | |
| Chief, color photography laboratory | | | 0.7 2,240 |
| Chief of division | 3 9,600 | 1.5 4,800 | |
| Chief of section | | | 0.3 960 |
| Cinematographer | | | 1.8 6,230 |
| Classification analyst | 2 6,400 | 1.5 4,800 | |
| Employee counselor | 1 3,200 | 0.8 2,560 | |
| Field interviewer | 1 3,200 | 0.5 1,600 | |
| Field representative | | | 3.4 10,880 |
| Film technician | 1.5 4,800 | 1 3,200 | 2.8 8,960 |
| Graphic designer | 1 3,200 | 1.7 5,440 | 4.6 14,720 |
| Inspector | 3 9,600 | 2 6,400 | |
| Instructor | 0.5 1,600 | | |
| Intelligence analyst | 1 3,200 | | |
| Interviewer | 1 3,200 | 0.5 1,600 | |
| Management analyst | 1 3,200 | 1.2 3,840 | |
| Priorities analyst | | 0.2 640 | 0.8 2,560 |
| Purchasing officer | | | 0.6 1,920 |
| Reports officer | 2 6,400 | 1 3,200 | |
| Research technician | | | 1.5 4,800 |
| Security assistant | 1 3,200 | 0.8 2,560 | |
| Technician | 1 3,200 | 0.5 1,600 | |
| Transportation officer | 1 3,200 | | |
| Grade 7. Range \$2,600 to \$3,200 | 100.5 261,300 | 86.3 224,380 | 53.6 139,490 |
| Grade 6. Range \$2,300 to \$2,900 | 52 119,600 | 40.7 93,610 | 16.3 37,620 |
| Grade 5. Range \$2,000 to \$2,600 | 209.5 419,000 | 200.2 400,400 | 104.9 210,300 |
| Grade 4. Range \$1,800 to \$2,100 | 280.5 604,900 | 254 457,200 | 155.3 279,738 |
| Grade 3. Range \$1,620 to \$1,980 | 204.5 331,290 | 179.8 291,274 | 189.8 307,680 |
| Grade 2. Range \$1,440 to \$1,800 | 87 125,280 | 67.8 97,632 | 142.3 205,062 |
| Grade 1. Range \$1,260 to \$1,620 | 2 2,520 | 1.1 1,386 | 13.2 16,632 |
| Professional service: | | | |
| Grade 8. Range \$8,000 to \$9,000: | | | |
| Assistant chief of branch | | 1.5 12,000 | |
| Assistant chief of division | 1 8,000 | 0.5 4,000 | 0.3 2,400 |
| Assistant in charge of research | 1 8,000 | 0.5 4,000 | |

ESTIMATES OF APPROPRIATIONS

| By objects | Obligations | | |
|---------------------------------------------|----------------------------|----------------------------|----------------------------|
| | Estimate, 1945 | Estimate, 1944 | Actual, 1943 |
| PERSONAL SERVICES, DEPARTMENTAL—CON. | | | |
| Professional service—Continued. | Man- Total years salary | Man- Total years salary | Man- Total years salary |
| Grade 8. Range \$8,000 to \$9,000—Con. | | | |
| Chief of branch..... | 2 \$17,000 | 3 \$25,000 | 1.6 \$13,800 |
| Chief of division..... | 4.5 36,000 | 2 16,000 | 0.4 3,200 |
| Chief of section..... | 1 8,000 | | 1 8,200 |
| Chief, planning staff..... | 1 8,000 | 1 8,000 | 0.4 3,200 |
| Deputy chief, planning staff..... | 2 16,000 | 2 16,000 | 0.4 3,200 |
| Head regional planner..... | | | 0.1 800 |
| Member, board of analysts..... | | | 5.4 45,000 |
| Special assistant to chief of branch..... | | 0.5 4,500 | |
| Technical assistant..... | | 0.1 900 | 1 9,000 |
| Grade 7. Range \$6,500 to \$7,500: | | | |
| Assistant chief of branch..... | 1 6,500 | 1.5 9,750 | 1.4 9,100 |
| Assistant chief of division..... | 1 6,500 | 2.9 18,850 | 3.8 25,100 |
| Chief of division..... | 4 26,000 | 2 13,000 | |
| Chief of section..... | 3 19,500 | 2.5 16,250 | 1.4 9,900 |
| Chief of subdivision..... | 2.5 16,250 | 1.6 10,400 | |
| Chief of unit..... | | 1 6,500 | |
| Chief, special projects..... | | | 0.3 1,950 |
| Deputy chief of division..... | 1 6,500 | 0.5 3,250 | |
| Deputy chief of section..... | | 0.5 3,250 | |
| Economics analyst..... | 1 6,500 | 0.5 3,250 | |
| Field representative..... | | | 0.9 6,075 |
| Intelligence officer..... | 2 13,000 | 1.3 8,450 | |
| Labor relations analyst..... | | | 0.2 1,300 |
| Regional planner..... | 5 32,500 | 4.2 27,300 | 1.2 7,800 |
| Special assistant..... | | | 0.4 2,600 |
| Grade 6. Range \$5,600 to \$6,400: | | | |
| Analyst..... | 1.5 8,400 | 1.9 10,640 | |
| Assistant chief of division..... | | | 3.4 19,200 |
| Attorney..... | 1 5,600 | 0.5 2,800 | |
| Chief of division..... | 1.5 8,400 | 1.4 7,840 | |
| Chief of section..... | 23 162,400 | 22.3 124,880 | 7 39,200 |
| Chief of unit..... | | 0.5 3,200 | |
| Deputy chief of division..... | 1 5,600 | 0.3 1,680 | |
| Economics editor..... | 1 5,600 | 0.7 3,920 | 0.5 2,800 |
| Editor..... | | 0.9 5,760 | |
| Engineer..... | 1 5,600 | | |
| Geographer..... | | | 0.7 3,920 |
| Intelligence specialist..... | 1 6,400 | 0.5 3,200 | |
| Psychologist..... | | | 0.6 3,360 |
| Regional planner..... | 1 22,400 | 4 22,400 | 1.1 6,160 |
| Research analyst..... | 3 28,000 | 7 39,200 | 1.5 8,400 |
| Research technician..... | | | 1.7 9,520 |
| Social science analyst..... | 3 16,800 | 2.7 15,120 | 0.8 4,480 |
| Special assistant to chief of branch..... | | | 1 5,640 |
| Technical assistant..... | | | 0.1 560 |
| Grade 5. Range \$4,600 to \$5,400: | | | |
| Analyst..... | 2 9,200 | 1.8 8,280 | 2.3 10,580 |
| Assistant chief of section..... | 3 13,800 | 3.5 16,100 | 2.2 10,120 |
| Assistant to chief of branch..... | | | 0.1 460 |
| Assistant to chief of division..... | 2 9,200 | 2 9,200 | |
| Attorney..... | 1 4,600 | 0.5 2,300 | |
| Cartographer..... | 2.5 11,500 | 1 4,600 | 2 9,200 |
| Chief of section..... | 10 46,000 | 5.1 23,460 | 1.7 7,820 |
| Chief of unit..... | 1 9,200 | 2 9,200 | |
| Economist..... | 8 36,800 | 6.8 31,280 | 5.1 23,460 |
| Editor..... | | 0.5 2,300 | 1.8 8,280 |
| Engineer..... | | 0.5 2,300 | |
| Equipment engineer..... | 1 4,600 | 1 4,600 | 0.3 1,380 |
| Information research technician..... | 1 4,600 | 0.6 2,760 | |
| Intelligence analyst..... | 7.5 34,500 | 4 18,400 | |
| Organic chemist..... | 0.5 2,300 | | |
| Presentation editor..... | 1 4,600 | 1 4,600 | |
| Psychologist..... | | | 1.2 5,520 |
| Regional planner..... | | 0.9 4,140 | 1.3 5,980 |
| Research analyst..... | 22.5 104,300 | 19.1 88,340 | |
| Social science analyst..... | 1.5 6,900 | 1.1 5,060 | 1.4 6,440 |
| Statistician..... | | | 1 4,600 |
| Technical assistant..... | | | 4.2 19,320 |
| Grade 4. Range \$3,800 to \$4,600: | | | |
| Analyst..... | 3 11,400 | 0.5 1,900 | |
| Architectural specialist..... | 1 3,800 | 0.7 2,660 | |
| Assistant chief of section..... | | | 0.4 1,520 |
| Assistant chief of subdivision..... | 1 3,800 | | |
| Assistant to chief of division..... | 0.5 1,900 | | |
| Attorney..... | | | 0.1 380 |

OFFICE OF STRATEGIC SERVICES

7

| By objects | Obligations | | |
|---------------------------------------------|----------------------------|----------------------------|----------------------------|
| | Estimate, 1945 | Estimate, 1944 | Actual, 1943 |
| PERSONAL SERVICES, DEPARTMENTAL—CON. | | | |
| Professional service—Continued. | Man- Total years salary | Man- Total years salary | Man- Total years salary |
| Grade 4. Range \$3,800 to \$4,600—Con. | | | |
| Cartographer | 2 \$7,600 | 3 \$11,400 | 6.6 \$25,080 |
| Chief of section | | | 0.6 2,280 |
| Chief of subdivision | 1 3,800 | 1 3,800 | |
| Chief of unit | | | |
| Economist | 8 30,400 | 5.1 19,380 | 6.5 25,260 |
| Editor | 1 3,800 | 0.5 1,900 | 2.1 7,980 |
| Editorial analyst | 1 3,800 | 0.5 1,900 | |
| Engineer | | 0.5 1,900 | |
| Geographer | 2 7,600 | 2.2 8,360 | 3.9 14,820 |
| Intelligence analyst | 7 26,000 | 4.5 17,100 | |
| Librarian | | | 0.1 380 |
| Physicist | 0.5 1,900 | | |
| Projection specialist | 0.5 1,900 | | |
| Psychologist | | | 2.1 7,980 |
| Radio technician | 1 3,800 | 0.5 1,900 | |
| Radio unit chief | 1 3,800 | | |
| Regional planner | 3 11,400 | 2.5 9,500 | 0.6 2,280 |
| Research analyst | 31.5 119,700 | 29.7 112,860 | 6.4 24,320 |
| Research technician | 1 3,800 | 1 3,800 | 0.1 340 |
| Social science analyst | 2.5 9,500 | 1.9 7,220 | 3.4 12,920 |
| Technical rescue specialist | | 0.5 1,900 | |
| Terrain specialist | 1.5 5,700 | 0.5 1,900 | |
| Writer director | 1 3,800 | 0.8 3,040 | |
| Grade 3. Range \$3,200 to \$3,800: | | | |
| Analyst | 6.5 20,800 | 7 22,400 | |
| Architectural specialist | 1 3,200 | 1.3 4,160 | 0.5 1,600 |
| Assistant chief of subdivision | | 0.8 2,560 | |
| Assistant to chief of subdivision | 1 3,200 | 0.5 1,600 | |
| Attorney | | | 1 3,200 |
| Cartographer | 7 22,400 | 7.2 23,040 | 2.7 8,640 |
| Chief of section | 1 3,200 | 1.6 5,120 | 0.1 320 |
| Economist | 1.5 4,800 | 2.7 8,640 | 0.9 2,880 |
| Editor | 1 3,200 | 1.7 5,440 | 1.2 3,840 |
| Editorial analyst | 2.5 8,000 | 2 6,400 | |
| Exhibit designer | | | 0.1 320 |
| Geobotanist | | | 0.4 1,280 |
| Geographer | 4.5 14,400 | 3.9 12,480 | 9.4 30,110 |
| Intelligence analyst | 6 19,200 | 4.5 14,400 | 0.1 320 |
| Librarian | | | 0.3 960 |
| Motion picture sound engineer | | | 0.5 1,600 |
| Pictorial analyst | | | 1.7 5,440 |
| Presentation editor | 2 6,400 | 1.8 5,760 | |
| Regional planner | | 3 9,600 | 0.5 1,600 |
| Research analyst | 28 89,600 | 28.9 92,480 | 15 48,030 |
| Research technician | | 0.1 320 | 1.9 6,080 |
| Scale calculator | 0.5 1,600 | | |
| Social science analyst | 3 9,600 | 3.2 10,240 | 4.5 14,400 |
| Special assistant | 0.5 1,600 | | |
| Special research assistant | 1 3,200 | 1 3,200 | |
| Subject analyst | 2 6,400 | 1.8 5,760 | |
| Technical rescue specialist | | 0.1 320 | |
| Terrain specialist | | 1 3,200 | 0.2 640 |
| Grade 2. Range \$2,600 to \$3,200 | 78.5 204,100 | 70.3 182,780 | 57.4 149,240 |
| Grade 1. Range \$2,000 to \$2,600 | 57 114,000 | 60.3 120,600 | 40.8 81,810 |
| Subprofessional service: | | | |
| Grade 8. Range \$2,600 to \$3,200 | 7.5 19,500 | 6.1 15,860 | 6.6 17,230 |
| Grade 7. Range \$2,300 to \$2,900 | 6 13,800 | 3.7 8,510 | 3.6 8,530 |
| Grade 6. Range \$2,000 to \$2,600 | 11 22,000 | 11.2 22,400 | 9 18,000 |
| Grade 5. Range \$1,800 to \$2,160 | 11.5 20,700 | 20.2 36,360 | 14.4 25,920 |
| Grade 4. Range \$1,620 to \$1,980 | 1 1,620 | 4.3 6,966 | 7.3 11,825 |
| Grade 3. Range \$1,440 to \$1,800 | 1 1,440 | 0.5 720 | 2 2,880 |
| Crafts, protective, and custodial service: | | | |
| Grade 7. Range \$2,040 to \$2,500 | 2 4,000 | | |
| Grade 6. Range \$1,860 to \$2,220 | 5 9,300 | 2.5 4,650 | |
| Grade 5. Range \$1,680 to \$2,040 | 9 15,120 | 9 15,120 | 1 1,680 |
| Grade 4. Range \$1,500 to \$1,860 | 4 6,000 | 5 7,500 | 2.2 3,300 |
| Grade 3. Range \$1,320 to \$1,620 | 56 73,920 | 49.1 64,812 | 37.7 49,764 |
| Grade 2. Range \$1,200 to \$1,500 | 2 2,400 | 1.2 1,440 | 8.2 9,804 |
| Unclassified | 8 22,650 | 5.5 14,400 | |
| Total permanent, departmental | 1,643 4,325,940 | 1,454.6 3,749,390 | 1,112.3 2,677,541 |

ESTIMATES OF APPROPRIATIONS

| By objects | Obligations | | | | | |
|-----------------------------------------------------------------|----------------|-----------------|----------------|-----------------|---------------|-----------------|
| | Estimate, 1945 | | Estimate, 1944 | | Actual, 1943 | |
| | Man- years | Total salary | Man- years | Total salary | Man- years | Total salary |
| PERSONAL SERVICES, DEPARTMENTAL—CON. | | | | | | |
| Temporary employees, departmental..... | 22.5 | \$67,750 | 22.5 | \$68,050 | 30 | \$91,241 |
| W. O. C. employees, departmental..... | 1 | 0 | 1 | 0 | | |
| Overtime pay..... | | 770,000 | | 704,923 | | 255,000 |
| Night-work differential..... | | 5,000 | | 1,000 | | |
| All personal services, departmental..... | 1,670.5 | 5,168,600 | 1,477.1 | 4,523,363 | 1,142.3 | 3,023,782 |
| PERSONAL SERVICES, FIELD | | | | | | |
| Clerical, administrative, and fiscal service: | | | | | | |
| Grade 15. Range \$8,000 to \$9,000: | | | | | | |
| Assistant director, London office..... | | | | | 1 | 8,000 |
| Chief, counter-intelligence division..... | | | | | 0.3 | 2,400 |
| Chief, X-2, London..... | | 8,000 | 0.5 | 4,000 | | |
| Grade 14. Range \$6,500 to \$7,500: | | | | | | |
| Assistant chief, X-2, London..... | | 6,500 | 0.5 | 3,250 | | |
| Director, Pacific Coast field office..... | | | | | 0.3 | 1,950 |
| Field representative..... | 2 | 13,000 | 2 | 13,000 | | |
| Special assistant to director, Office of Strategic Service..... | | 7,500 | 0.5 | 3,750 | 1 | 7,500 |
| Grade 13. Range \$5,600 to \$6,400: | | | | | | |
| Administrative officer..... | | | | | 1 | 5,600 |
| Assistant chief, New York field office..... | | | | | 0.5 | 2,800 |
| Assistant chief, pictorial records, New York..... | | | | | 0.5 | 2,800 |
| Desk head..... | | 5,600 | 0.5 | 2,800 | | |
| Executive officer..... | 1 | 5,600 | 0.9 | 5,040 | | |
| Field representative..... | | | | | 0.5 | 2,800 |
| Radio and press editor..... | | | | | 1 | 6,400 |
| Special assistant..... | 1 | 5,600 | 1 | 5,600 | | |
| Grade 12. Range \$4,600 to \$5,400: | | | | | | |
| Assistant chief, pictorial records..... | | | | | 0.2 | 920 |
| Assistant to director, London field office..... | | | | | 0.8 | 3,680 |
| Chief, motion picture processing division..... | | | | | | |
| Chief, survey of foreign experts..... | | | | | 0.4 | 1,840 |
| Field representative..... | | | 0.5 | 2,300 | 0.5 | 2,300 |
| Instructor..... | 1 | 4,600 | 0.5 | 2,300 | 0.3 | 1,380 |
| Intelligence analyst..... | 2 | 9,200 | 1.5 | 6,900 | 0.2 | 920 |
| Radio and press editor..... | | | | | 1 | 5,000 |
| Research technician..... | | | | | 0.8 | 3,680 |
| Special assistant to director, pictorial records, New York..... | | | | | 0.6 | 2,760 |
| Special field representative..... | | | | | 0.1 | 460 |
| Grade 11. Range \$3,800 to \$4,600: | | | | | | |
| Administrative officer..... | 3 | 11,400 | 2.1 | 7,980 | 0.6 | 2,280 |
| Chief, collection section..... | | | | | 0.2 | 760 |
| Chief, pictorial records, New York..... | 1 | 3,800 | 0.3 | 1,140 | | |
| Field investigator..... | | | | | 0.5 | 1,900 |
| Field representative..... | 5 | 19,000 | 3 | 11,400 | 1.3 | 4,940 |
| Field representative (Seattle)..... | 1 | 3,800 | 0.5 | 1,900 | | |
| Film research editor..... | | | | | 1.1 | 4,180 |
| Film research technician..... | | | | | 3.3 | 12,540 |
| Intelligence analyst..... | 1 | 3,800 | 0.5 | 1,900 | | |
| Photographic research editor..... | | | | | 0.9 | 3,420 |
| Photographic research technician..... | | | | | 1.3 | 4,940 |
| Research technician..... | 2 | 7,600 | 1.7 | 6,460 | 2.1 | 7,980 |
| Grade 9. Range \$3,200 to \$3,800: | | | | | | |
| Administrative assistant..... | 5 | 16,000 | 1.7 | 5,440 | 2.7 | 8,640 |
| Analyst..... | | | | | 0.5 | 1,600 |
| Chief of section..... | 1.5 | 4,800 | 0.5 | 1,600 | | |
| Collector..... | 2 | 6,400 | 1 | 3,200 | | |
| Field representative..... | 5 | 16,000 | 3.8 | 12,160 | 2.3 | 7,360 |
| Film editor..... | | | | | 2.1 | 6,720 |
| Intelligence analyst..... | 1 | 3,200 | 0.5 | 1,600 | | |
| Photographic research technician..... | | | | | 1.8 | 5,760 |
| Procurement officer..... | 1 | 3,200 | 0.6 | 1,920 | 0.6 | 1,920 |
| Registrar..... | 1 | 3,200 | 0.4 | 1,280 | | |
| Research technician..... | | | | | 7.7 | 24,640 |
| Grade 7. Range \$2,600 to \$3,200..... | 13 | 48,800 | 18.5 | 48,100 | 11.8 | 30,680 |
| Grade 6. Range \$2,300 to \$2,900..... | 17.5 | 40,250 | 2.5 | 5,900 | 6.3 | 14,490 |
| Grade 5. Range \$2,000 to \$2,600..... | 63 | 120,100 | 47.9 | 95,870 | 12.3 | 24,600 |
| Grade 4. Range \$1,800 to \$2,160..... | 24.5 | 44,100 | 22.7 | 40,860 | 18.4 | 33,144 |
| Grade 3. Range \$1,620 to \$1,980..... | 23.6 | 33,210 | 18.5 | 29,970 | 15.8 | 25,596 |
| Grade 2. Range \$1,440 to \$1,800..... | 7 | 10,080 | 10.7 | 15,408 | 45 | 64,800 |
| Grade 1. Range \$1,260 to \$1,620..... | | | | | 1.8 | 2,268 |

OFFICE OF STRATEGIC SERVICES

9

25X1X8

| PERSONAL SERVICES, FIELD—continued | Obligations | | |
|-----------------------------------------------------------------|----------------------------|----------------------------|----------------------------|
| | Estimate, 1945 | Estimate, 1944 | Actual, 1943 |
| Professional service: | Man- Total years salary | Man- Total years salary | Man- Total years salary |
| Grade 8. Range \$8,000 to \$9,000: | | | |
| Assistant chief of division..... | | | 0.2 \$1,600 |
| Chief, research and analysis, London..... | 0.5 4,000 | | |
| Grade 7. Range \$6,500 to \$7,500: | | | |
| Assistant chief, research and analysis, London..... | 1 \$6,500 | 1 \$6,500 | |
| Chief of division, research and anal- ysis, London..... | 0.5 3,250 | | |
| Chief of section, photographic and presentation, London..... | 0.5 3,250 | | 0.7 4,550 |
| Director, London office..... | | | |
| Field representative..... | 1 6,500 | 0.5 3,250 | |
| Labor relations analyst..... | 1 6,500 | 0.6 3,900 | 1 6,500 |
| Planning officer..... | 1 6,500 | 1 6,500 | |
| Research and development officer..... | | 0.5 3,250 | |
| Special assistant..... | 1 6,500 | 0.5 3,250 | |
| Grade 6. Range \$5,000 to \$6,400: | | | |
| Analyst..... | 2 11,200 | 1.9 10,640 | |
| Assistant director, London Office..... | | | 0.6 3,360 |
| Chief, military supplies..... | | | 0.4 2,240 |
| Chief of division, research and anal- ysis, London..... | 0.5 2,800 | | |
| Field representative..... | 2 11,200 | 1.5 8,400 | 1.2 6,720 |
| Research analyst..... | 2 11,200 | 1.8 10,080 | |
| Research technician..... | | | 0.3 2,100 |
| Grade 5. Range \$4,600 to \$5,400: | | | |
| Attorney..... | | | 0.4 2,000 |
| Cartographer..... | 2 9,200 | 1.8 8,280 | |
| Chief, library division..... | | | 0.8 3,680 |
| Economist..... | 2 9,200 | 0.7 3,220 | 0.3 1,380 |
| Field representative..... | | | 0.8 3,680 |
| Geographer..... | 1 4,600 | 1 4,600 | |
| Intelligence analyst..... | | | 0.2 920 |
| Research analyst..... | 1 4,600 | 0.2 920 | 1.1 5,405 |
| Social science analyst..... | 1 4,600 | 0.7 3,220 | 0.4 1,840 |
| Grade 4. Range \$3,800 to \$4,600: | | | |
| Cartographer..... | 2 7,600 | 1.6 6,080 | |
| Economist..... | | | 0.6 2,280 |
| Field investigator..... | | | 0.1 380 |
| Foreign analyst..... | 1 3,800 | 0.5 1,900 | |
| Foreign nationalities representative..... | 1 3,800 | 0.5 1,900 | |
| Geographer..... | | | 0.6 2,280 |
| Labor analyst..... | 0.5 1,900 | | |
| Research analyst..... | 6 22,800 | 3.5 13,300 | 0.8 3,040 |
| Research and analysis representative..... | 1 3,800 | 0.6 2,280 | |
| Social science analyst..... | 1 3,800 | 0.3 1,140 | |
| Grade 3. Range \$3,200 to \$3,800: | | | |
| Cartographer..... | 1 3,200 | 0.5 1,600 | |
| Editorial analyst..... | 1 3,200 | 0.5 1,600 | |
| Intelligence analyst..... | 0.5 1,600 | | |
| Library assistant..... | 1 3,200 | | |
| Librarian..... | | | 0.2 640 |
| Research analyst..... | 3 9,600 | | 0.4 1,280 |
| Social science analyst..... | 1.5 4,800 | 1 3,200 | 1.1 3,880 |
| Grade 2. Range \$2,600 to \$3,200: | 7 18,200 | 3.2 8,320 | 7.9 20,540 |
| Grade 1. Range \$2,000 to \$2,600: | 1 2,000 | 1.5 3,000 | 1.2 2,400 |
| Subprofessional service: | | | |
| Grade 8. Range \$2,600 to \$3,200: | | 1 2,600 | 0.2 520 |
| Grade 6. Range \$1,860 to \$2,220: | | | 0.8 1,600 |
| Grade 5. Range \$1,800 to \$2,160: | 1.5 2,700 | 1 1,800 | 3.7 6,660 |
| Grade 4. Range \$1,620 to \$1,980: | | | 3 4,860 |
| Crafts, protective, and custodial service: | | | |
| Grade 9. Range \$2,300 to \$2,900: | 1 2,300 | | |
| Grade 7. Range \$2,040 to \$2,500: | | 0.8 1,730 | |
| Grade 6. Range \$1,860 to \$2,220: | 1 1,860 | 0.5 930 | 0.5 930 |
| Grade 5. Range \$1,680 to \$2,040: | 4 6,720 | 2.6 4,368 | 1 1,680 |
| Grade 4. Range \$1,500 to \$1,860: | 29 43,500 | 13.5 27,750 | 6.2 9,300 |
| Grade 3. Range \$1,320 to \$1,620: | 6 7,920 | 1.6 2,112 | 4.1 5,460 |
| Grade 2. Range \$1,200 to \$1,500: | | 2 2,400 | 3.4 4,080 |
| Total, permanent, field..... | 279 732,240 | 201.2 507,048 | 195.6 476,133 |
| Temporary employees, field..... | 3.5 9,550 | 3 8,550 | 7 19,548 |
| Native employees (unclassified)..... | 114,500 | 69,500 | 152,878 |
| W. O. C. employees, field..... | 2 0 | 2 0 | |

ESTIMATES OF APPROPRIATIONS

| By objects | Obligations | | |
|-------------------------------------------------------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | Estimate, 1945 | Estimate, 1944 | Actual, 1943 |
| PERSONAL SERVICES, FIELD--continued | Man- Total years salary | Man- Total years salary | Man- Total years salary |
| Overtime pay..... | \$100,000 | \$35,000 | \$48,159 |
| Living and quarters allowance..... | 293,000 | 189,400 | 100,000 |
| All personal services, field..... | 284.5 1,249,290 | 206.2 859,558 | 202.6 796,718 |
| 01 Personal services (net)..... | 1,355 6,417,980 | 1,683.3 6,382,921 | 1,344.9 3,820,500 |
| OTHER OBLIGATIONS | | | |
| 02 Travel..... | 2,000,000 | 2,000,000 | 708,461 |
| 03 Transportation of things..... | 284,520 | 125,000 | 57,023 |
| 04 Communication services..... | 481,029 | 350,000 | 277,983 |
| 05 Rents and utility services..... | 304,612 | 225,000 | 120,807 |
| 06 Printing and binding..... | 117,950 | 100,000 | 23,620 |
| 07 Other contractual services..... | 1,001,073 | 1,000,000 | 716,590 |
| 08 Supplies and materials..... | 4,200,011 | 3,617,079 | 3,439,425 |
| 09 Equipment..... | 7,212,795 | 7,200,000 | 5,720,305 |
| 00 Unvouchered funds..... | 35,000,000 | 15,000,000 | 10,971,171 |
| Total other obligations..... | 50,582,020 | 29,617,079 | 22,035,395 |
| Grand total obligations..... | 57,000,000 | 35,000,000 | 25,853,885 |
| Reimbursements for services performed..... | | -155,000 | -47,330 |
| Received by transfer from "Emergency fund for the President, national defense"..... | | | -26,500,000 |
| Prior year appropriation available in 1943..... | | | -8,538 |
| Estimated savings, unobligated balance..... | | 155,000 | 699,981 |
| Total estimate or appropriation..... | 57,000,000 | 35,000,000 | |
| BY PROJECTS OR FUNCTIONS | | | |
| 1. Administration..... | \$2,879,699 | \$2,000,000 | \$1,653,825 |
| 2. Intelligence service..... | 21,387,731 | 11,000,000 | 8,094,289 |
| 3. Operations..... | 11,977,233 | 6,150,000 | 3,486,847 |
| 4. Services..... | 18,416,345 | 13,500,000 | 10,700,569 |
| 5. Photographic presentation..... | 512,690 | 850,000 | 920,365 |
| 6. Communications..... | 1,826,392 | 1,500,000 | 1,000,000 |
| Grand total obligations..... | 57,030,000 | 35,000,000 | 25,855,885 |
| Adjustments (see objects schedule for details)..... | | -155,000 | -25,855,885 |
| Total estimate or appropriation..... | 57,030,000 | 34,845,000 | |

25X1X8

OFFICE OF STRATEGIC SERVICES

25X1X8

Statement of proposed expenditures for purchase, maintenance, repair, and operation of passenger-carrying vehicles, for the fiscal year ending June 30, 1975, as required by 5 U. S. C. 73

OFFICE OF STRATEGIC SERVICES

| Appropriation | Vehicles to be purchased (motor unless otherwise indicated) | | Old vehicles to be exchanged | | Net cost of vehicles to be purchased | Old vehicles still to be used | Total maintenance, repair, and operation all vehicles | Public purpose and users |
|------------------------------------------------------|-------------------------------------------------------------|------------|------------------------------|-----------------------|--------------------------------------|-------------------------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Number | Gross cost | Number | Allowance (estimated) | | | | |
| Salaries and expenses, Office of Strategic Services. | | | | | | 33 | \$15,000 | For official transportation and to expedite performance of special activities. To be used by officials or representatives of Office of Strategic Services. |

ESTIMATES OF APPROPRIATIONS

GENERAL PROVISIONS

25X1X8

[(a)] *Sec. 201.* The [foregoing] appropriations [for the constituent agencies under the Office for Emergency Management] in this Act for salaries and expenses shall be available, in addition to the objects specified under each head, and without regard to section 3709, Revised Statutes (except as otherwise specified herein), for personal services in the District of Columbia and elsewhere; contract stenographic reporting services; lawbooks, books of reference, newspapers and periodicals; maintenance, operation, and repair of motor-propelled passenger-carrying vehicles; acceptance and utilization of voluntary and uncompensated services; and traveling expenses, including expenses of attendance at meetings of organizations concerned with the work of the agency from whose appropriation such expenses are paid, and actual transportation and other necessary expenses, and not to exceed \$10 (unless otherwise specified) per diem in lieu of subsistence, of persons serving while away from their permanent homes or regular places of business in an advisory capacity to or employed by any of such agencies without other compensation from the United States, or at \$1 per annum, and including (upon authorization or approval of the head of any of such agencies) travel expenses to and from their homes or regular places of business in accordance with the Standardized Government Travel Regulations, including travel in privately owned automobile (and including per diem in lieu of subsistence at place of employment), of persons employed intermittently away from their homes or regular places of business as consultants and receiving compensation on a per diem when actually employed basis.

[(b)] *Sec. 202.* Whenever sums are set apart from the [foregoing] appropriations [for the constituent agencies under the Office for Emergency Management] in this Act for special projects (classified in the estimates submitted to Congress as or under "Other contractual services") expenditures may be made therefrom for traveling expenses, printing and binding, and purchase of motor-propelled passenger-carrying vehicles without regard to the limitations specified for such objects under the respective heads, but within such amounts as the Director of the Bureau of the Budget may approve therefor and such Director shall report to Congress each such limitation determined by him: *Provided, That such limitations shall not apply where the special projects are performed by non-Government agencies.*

[(c)] There may be transferred from the appropriations for such constituent agencies to other Government agencies sums for the performance of work or services for the transferring agency but unless otherwise authorized by law, no other agency of the Government shall perform work or render services for any of the constituent agencies, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance.] *Sec. 203.* With the prior approval of the Bureau of the Budget and under authority of section 601 of the Act of June 30, 1932, as amended (31 U. S. C. 686), orders for work or services to be performed by other agencies of the Government may be placed by any of the agencies whose appropriations are contained in this Act, but no agency shall perform work or render services with or without reimbursement (including the detail or loan of personnel) for any of the agencies whose appropriations are contained in this Act except in pursuance of orders so approved or under specific authority of other law. This provision shall not apply to the Office of Strategic Services.

[(d)] *Sec. 204.* The foregoing [general provisions (a), (b), and (c)] sections 201, 202, and 203 shall have no application to appropriations for the War Shipping Administration or to appropriations for Defense Aid.

Sec. 205. For the purposes of section 303 of the First Supplemental National Defense Appropriation Act, 1944, and any similar general provision for the fiscal year 1945, persons serving the Government at \$1 per annum shall be considered as serving without compensation.

SEC. [201] 206. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

[SEC. 202. The appropriations and authority with respect to appropriations contained herein for the fiscal year 1944 shall be available from and including July 1, 1943, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between June 30, 1943, and the date of the enactment of this Act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.]

SEC. 207. Whenever the Civil Service Commission shall find that within the Federal service in the District of Columbia basic daily or hourly pay rates, fixed by wage boards or similar administrative authority serving the same purpose, for mechanical crafts and trades and laborer positions are higher than rates for such positions authorized by the Classification Act of 1923, as amended, to such an extent as to cause undesirable competition for such services between units of the Government in the District of Columbia, said Commission is authorized to adjust from time to time and without regard to said Act the pay rates of such positions subject to the Classification Act to the extent necessary to prevent such competition. This authority shall cease six months after the termination of the present hostilities, at which time the adjusted rates shall revert to those prescribed by the Classification Act.

○

1946
Fiscal Year

OFFICE OF STRATEGIC SERVICES

Salaries and Expenses, Office of Strategic Services--

Salaries and expenses: For all expenses necessary to enable the Office of Strategic Services to carry out its functions and activities, including salaries of a Director at \$10,000 per annum, one assistant director and one deputy director at \$9,000 per annum each; procurement of necessary services, supplies and equipment without regard to section 3709, Revised Statutes; travel expenses, including expenses outside the United States without regard to the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821-833), and any general provision for the fiscal year [1945] to the contrary; preparation and transportation of the remains of officers and employees who die abroad or in transit, while in the dispatch of their official duties, to their former homes in this country or to a place not more distant for interment, and for the ordinary expenses of such interment; rental of news-reporting services; purchase of or subscription to commercial and trade reports; the rendering of such gratuitous services and the disposition, free or otherwise, of such materials as the Director deems advisable; purchase or rental and operation of photographic, reproduction, duplicating and printing machines, equipment, and devices and radio-receiving and radio-sending equipment and devices; maintenance, operation, repair, and hire of motor-propelled or horse-drawn passenger-carrying vehicles and vessels of all kinds; printing and binding; exchange of funds without regard to section 3651, Revised Statutes (31 U. S. C. 543); purchase and free distribution of firearms, guard

not to exceed \$12,000 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the Act of June 28, 1944 (Public Law 364);

1946

uniforms, special clothing, and other personal equipment; the cost of a compartment or such other accommodations as may be authorized by the Director for security when authorized personnel are required to transport secret documents or hand baggage containing highly technical and valuable equipment; ~~[\$57,000,000]~~ of which amount \$38,166,000 such sums as may be authorized by the Director of the Bureau of the Budget may be transferred to other departments or agencies of the Government, either as advance payment or reimbursement of appropriation, for the performance of any of the functions or activities for which this appropriation is made: *Provided*, That ~~[\$37,000,000]~~ of \$22,000,000 this appropriation may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds or the employment of persons in the Government service, and ~~[\$35,000,000]~~ of such ~~[\$37,000,000]~~ may be expended for objects of a confidential nature, such expenditures to be accounted for solely on the certificate of the Director of the Office of Strategic Services and every such certificate shall be deemed a sufficient voucher for the amount therein certified. \$22,000,000 — \$20,000,000

Penalty mail costs, 1945 - Office of Strategic Services: Not to exceed \$27,750 of the appropriation "Salaries and expenses, Office of Strategic Services, 1945" (Act of June 28, 1944, Public Law 372; Act of Dec. 22, 1944, Public Law 529).

Annual appropriation, general account:

Estimate 1946, \$38,166,000 Appropriated 1945, \$57,000,000

79TH CONGRESS
1ST SESSION

H. R. 4407

IN THE SENATE OF THE UNITED STATES

OCTOBER 22, 1945

Read twice and referred to the Committee on Appropriations

AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the appropriations and contractual authorizations of the
4 departments and agencies available in the fiscal year 1946,
5 and prior year unreverted appropriations, are hereby reduced
6 in the sums hereinafter set forth, such sums to be carried to
7 the surplus fund and covered into the Treasury immediately
8 upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-
2 DENT, INDEPENDENT OFFICES, AND EXECU-
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 Foreign Economic Administration:

7 Salaries and expenses, \$5,226,461, and limitations
8 under this head are hereby decreased as follows: (1)
9 Travel within continental United States from "\$234,-
10 000" to "\$150,000", (2) reimbursement to employees
11 for emergency or extraordinary expenses from "\$75,-
12 000" to "\$40,000", and (3) expenses of a confidential
13 character from "\$1,200,000" to "\$25,000".

14 Penalty mail costs, \$12,440.

15 National War Labor Board:

16 Salaries and expenses, \$1,566,500.

17 Office of Defense Transportation:

18 Salaries and expenses, \$3,075,000, and limitations
19 under this head are hereby decreased as follows: (1)
20 Traveling expenses from "\$452,500" to "\$150,000",
21 (2) printing and binding from "\$47,500" to "\$14,000"
22 (of which the amount available outside continental
23 United States is decreased from "\$1,800" to "\$500"),
24 and (3) penalty mail costs from "\$118,900" to
25 "\$53,000".

3

1 Office of Economic Stabilization:

2 Salaries and expenses, \$53,780, and limitations
3 under this head are hereby decreased as follows: (1)
4 Penalty mail costs from "\$2,250" to "\$1,500", (2)
5 traveling expenses from "\$4,500" to "\$4,000", and
6 (3) printing and binding from "\$2,000" to "\$1,600".

7 Office of Inter-American Affairs:

8 Salaries and expenses, \$1,500,000.

9 Office of Scientific Research and Development:

10 Salaries and expenses, \$56,101,792.

11 Office of War Information:

12 Salaries and expenses, \$10,662,558, and limitations
13 under this head are hereby decreased as follows: (1)
14 Temporary employment in the United States by contract
15 or otherwise without regard to the civil service and
16 classification laws from "\$45,800" to "\$25,000", (2)
17 travel within continental United States from "\$267,500"
18 to "\$230,000", (3) printing and binding within conti-
19 nental United States from "\$1,000,000" to "\$550,000",
20 and (4) to meet emergencies of a confidential character
21 from "\$250,000" to "\$40,000".

22 War Manpower Commission:

23 General administration, \$71,194.

24 Apprentice training service (national defense),

4

1 \$131,500, and the balance to remain available until
2 December 31, 1945.

3 Training Within Industry Service (national de-
4 fense), \$125,000, and the balance to remain available
5 until December 31, 1945.

6 Migration of workers, \$479,000.

7 War Production Board:

8 Salaries and expenses, \$10,000,000, and limitations
9 under this head are hereby decreased as follows: (1)
10 travel expenses from "\$1,944,000" to "\$954,000",
11 (2) penalty mail costs from "\$210,000" to
12 "\$105,000", (3) printing and binding from "\$648,-
13 000" to "\$346,000", and (4) salary of the head of the
14 agency from "\$15,000" to "\$12,000", except that so
15 long as the position is held by the present incumbent
16 the salary shall remain at \$15,000.

17 War Shipping Administration:

18 Revolving fund, \$195,452,000.

19 Maritime training fund, \$25,000,000.

20 Marine and war risk insurance fund, revolving fund,
21 \$91,000,000.

22 Office of Censorship: Salaries and expenses, \$8,200,000.

23 Office of Price Administration:

24 Salaries and expenses, \$25,929,000, and limitations
25 under this head are hereby decreased as follows: (1)

5

1 Printing and binding from "\$1,470,000" to "\$961,064",
2 (2) traveling expenses from "\$7,949,700" to "\$6,-
3 780,000", and (3) penalty mail costs from "\$5,-
4 210,550" to "\$3,085,000".

5 Office of Strategic Services:

6 Salaries and expenses, \$11,500,000, and limitations
7 under this head are hereby decreased as follows: (1)
8 expenditures without regard to provisions of law and
9 regulations from "\$10,500,000" to ^{2,600,000} "\$2,000,000", and
10 (2) expenditures for objects of a confidential nature
11 from "\$10,000,000" to ^{2,350,000} "\$1,750,000".

*Rel figures
represent
requested
change*
*Amended
See H.R. 4407
11-20-45*

12 Petroleum Administration for War:

13 Salaries and expenses, \$1,800,000, and limitations
14 under this head are hereby decreased as follows: (1)
15 personal services without regard to civil-service and
16 classification laws from "\$250,000" to "\$125,000",
17 and (2) travel expenses from "\$263,700" to
18 "\$100,000".

19 In all, Office for Emergency Management, \$447,-
20 886,225.

21 **EMERGENCY FUNDS APPROPRIATED TO THE**
22 **PRESIDENT**

23 Emergency fund for the President, national defense,
24 \$45,000,000.

1 Defense aid—lend-lease:

2 (1) Ordnance and ordnance stores, supplies, spare parts,
3 and materials, \$57,990,000.

4 (2) Aircraft and aeronautical material, \$85,705,000.

5 (3) Tanks, armored cars, automobiles, trucks, and other
6 automotive vehicles, spare parts, and accessories, \$24,-
7 461,000.

8 (4) Vessels, ships, boats, and other watercraft, \$76,-
9 080,000.

10 (5) Miscellaneous military equipment, supplies and
11 materials, \$8,963,000.

12 (6) Facilities and equipment for the manufacture or
13 production of defense articles, by construction or acquisition,
14 \$17,937,000.

15 (7) Agricultural, industrial, and other commodities
16 and articles, \$1,351,216,000, and the \$500,000,000 made
17 available by title II of the Second Deficiency Appropriation
18 Act, 1945, as a reserve for expenditure for postwar price
19 support of agriculture shall be paid to the Commodity Credit
20 Corporation and continued as a reserve fund for expendi-
21 ture, as and when necessary, for the postwar price support
22 of agriculture.

23 (7b) For testing, inspecting, proving, repairing, out-
24 fitting, reconditioning, or otherwise placing in good work-

1 ing order any defense articles for the government of any
2 country whose defense the President deems vital to the
3 defense of the United States, \$73,266,000.

4 (7d) For necessary services and expenses for carrying
5 out the purposes of such Act not specified or included in
6 the foregoing, \$43,943,000.

7 In all, emergency funds appropriated to the President,
8 \$1,784,561,000.

9 INDEPENDENT OFFICES

10 Civil Service Commission: Salaries and expenses, Civil
11 Service Commission (national defense), \$2,032,000.

12 Employees' Compensation Commission: Employees'
13 compensation fund, \$1,761,644.

14 Federal Communications Commission: Salaries and ex-
15 penses, Federal Communications Commission (national de-
16 fense), \$930,000.

17 Federal Power Commission: National defense activities,
18 \$17,628.

19 National Advisory Committee for Aeronautics: Advisory
20 Committee for Aeronautics, \$2,000,000.

21 Selective Service System: Salaries and expenses, \$2,-
22 957,500.

23 United States Maritime Commission: Construction fund,
24 Act June 29, 1936, revolving fund, \$496,500,000.

8

1 FEDERAL SECURITY AGENCY

2 Public Health Service:

3 Health and sanitation activities, war and defense
4 areas (national defense), \$392,568.

5 Malaria and diseases of tropical origin (national de-
6 fense), \$1,862,501.

7 Training for nurses (national defense), \$15,557,000,
8 and the limitation on the amount which may be expended
9 for administrative expenses is hereby decreased from
10 "\$788,255" to "\$611,322".

11 SOCIAL SECURITY BOARD

12 There is appropriated, out of any money in the Treasury
13 not otherwise appropriated, for the fiscal year ending June
14 30, 1946, for grants to States for administration of unem-
15 ployment compensation and employment service facilities
16 operated in conjunction therewith, as authorized in title III
17 of the Social Security Act, approved August 14, 1935, as
18 amended, \$30,000,000, which shall be in addition to the
19 amounts appropriated for such purposes in title II of the
20 Labor-Federal Security Appropriation Act, 1946.

21 FEDERAL WORKS AGENCY

22 Office of the Administrator: War public works (com-
23 munity facilities), \$13,700,000.

1 Public Buildings Administration:

2 Emergency safeguarding of public buildings and
3 property, \$750,000.

4 Construction of temporary office buildings, Washing-
5 ton, District of Columbia, unobligated balance.

6 Public Roads Administration: Flight strips (national de-
7 fense), \$318,008.

8 NATIONAL HOUSING AGENCY

9 Office of the Administrator:

10 War housing, \$74,355,000.

11 War housing in and near the District of Columbia,
12 \$3,372,000.

13 Reserves: From the reserve account established by the
14 National Housing Administrator in the Treasury pur-
15 suant to section 303 of Public Law 849, Seventy-sixth Con-
16 gress, approved October 14, 1940, as amended, \$50,000,000.

17 Section 303 of the Act of October 14, 1940, as amended
18 (42 U. S. C. 1521), is hereby amended by inserting "(a)"
19 after the figures "303", and adding the following new sub-
20 sections:

21 "(b) Moneys derived by the National Housing Admin-
22 istrator from the disposition of property, or from the removal
23 of temporary housing, acquired or constructed under the
24 provisions of this Act, of Public Laws Numbered 9, 73, and

1 353, Seventy-seventh Congress, and of section 201 of the
2 Second Supplemental National Defense Appropriation Act,
3 1941, as amended, shall be available for expenses of disposi-
4 tion and removal, including the establishment of necessary
5 reserves therefor and administrative expenses in connection
6 therewith: *Provided*, That moneys derived by said Admin-
7 istrator from the disposition of any such property or the re-
8 moval of any such temporary housing may be deposited in a
9 common fund account or accounts in the Treasury: *And pro-*
10 *vided further*, That except for necessary reserves authorized
11 by this Act or by section 201 of the Second Supplemental
12 National Defense Appropriation Act, 1941, as amended, the
13 unobligated balances of the moneys deposited into the Treas-
14 ury from the disposition of any such property or the removal
15 of any such temporary housing shall be covered at the end of
16 each fiscal year into miscellaneous receipts.

17 “(c) Moneys in the reserve account established by the
18 National Housing Administrator pursuant to subsections (a)
19 and (b) of this section 303 shall not exceed \$25,000,000
20 at any time: *Provided*, That all moneys in said account shall
21 be covered into miscellaneous receipts not later than two
22 years after the President shall have declared that the emer-
23 gency declared by him on September 8, 1939, has ceased
24 to exist.”

25 In all, independent offices, \$666,505,849.

11

EXECUTIVE DEPARTMENTS

[Non-War]

DEPARTMENT OF AGRICULTURE

Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946.

War Food Administration: Salaries and expenses, \$3,116,894.

Emergency supplies for Territories and possessions, \$25,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Bureau of Agricultural Economics, salaries and expenses (crop and livestock estimates).

Office of Foreign Agricultural Relations, salaries and expenses.

12

1 Agricultural Research Administration:

2 Bureau of Animal Industry, salaries and expenses
3 (meat inspection) ;

4 Bureau of Plant Industry, Soils, and Agricultural
5 Engineering, salaries and expenses (fruit, vegetable, and
6 specialty crops) ;

7 Bureau of Entomology and Plant Quarantine, sala-
8 ries and expenses (foreign plant quarantine).

9 Forest Service:

10 Salaries and expenses (national forest protec-
11 tion and management) ;

12 Forest-fire cooperation.

13 DEPARTMENT OF COMMERCE

14 Office of the Secretary: Salaries and expenses, National
15 Inventors Council Service Staff, \$11,000.

16 Office of Administrator of Civil Aeronautics: Develop-
17 ment of landing areas, \$5,000,000.

18 The following appropriations shall be so administered
19 as to avoid the incurrence of deficiencies therein except for
20 such added expense occasioned by the Federal Employees
21 Pay Act of 1945 as it may not be practicable to absorb,
22 namely:

23 Coast and Geodetic Survey, salaries and expenses, de-
24 partmental;

13

1 Patent Office, salaries;

2 Weather Bureau, salaries and expenses.

3 DEPARTMENT OF THE INTERIOR

4 Office of the Secretary: Salaries and expenses, Division
5 of Geography, \$20,000.

6 War Relocation Authority: Salaries and expenses,
7 War Relocation Authority, Department of the Interior,
8 \$5,000,000.

9 Office of Fishery Coordination: Salaries and expenses,
10 \$57,000.

11 Solid Fuels Administration for War:

12 Salaries and expenses, \$275,000, and on April 1,
13 1946, the sum of \$150,000 of said appropriation shall
14 be transferred to the appropriation "Economics of
15 mineral industries", Bureau of Mines, and the limitation
16 in said latter appropriation for personal services in the
17 District of Columbia shall be increased from "397,500"
18 to "\$529,000".

19 Bureau of Mines

20 Enforcement of Federal Explosives Act, \$27,900.

21 Investigation of raw-material resources for steel pro-
22 duction (national defense), \$180,000.

23 Construction and equipment of helium plants, \$260,000.

24 Manganese beneficiation pilot plants and research (na-
25 tional defense), \$50,000.

25X1X8

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15

1 Children's Bureau:

2 Grants to States for emergency maternity and infant
3 care (national defense), \$8,113,600: *Provided*, That
4 such reduced amount shall not affect the amount to be
5 allotted to the States for administrative expenses as
6 authorized in the Department of Labor Appropriation
7 Act, 1946.

8 United States Employment Service:

9 Employment office facilities and services: The un-
10 expended and unobligated balances, on the thirtieth day
11 after the date of the enactment of this Act, of appro-
12 priations, excluding the appropriation of \$7,791,134 to
13 carry into effect the provisions of section 602 of title
14 IV of the Servicemen's Readjustment Act of 1944,
15 Public Law 346, Seventy-eighth Congress, made in the
16 first paragraph under the heading "Employment Office
17 Facilities and Services" in title VII of the Labor-Federal
18 Security Appropriation Act, 1946, shall, on such
19 thirtieth day, be carried to the surplus fund and covered
20 into the Treasury.

21 WAR DEPARTMENT

22 The Panama Canal: Maintenance and operation of the
23 Panama Canal, \$5,000,000.

24 In all, executive departments, \$57,854,572.

25 In all, title I, \$2,956,807,646.

1 Miscellaneous Provisions, Title I

2 REDUCTIONS IN CONTRACT AUTHORIZATIONS

3 Contract authorizations of the departments and agencies
4 available in the fiscal year 1946 are hereby reduced in the
5 sums hereinafter set forth:

6 EXECUTIVE OFFICE OF THE PRESIDENT

7 Emergency funds appropriated to the President: Defense
8 aid—lend-lease, \$600,000,000.

9 INDEPENDENT OFFICES

10 United States Maritime Commission: Construction fund,
11 Act June 29, 1936, revolving fund, \$325,900,000.

12 FEDERAL WORKS AGENCY

13 Public Roads Administration:

14 Strategic highway network, \$1,484,363.

15 Access roads, \$3,076,845.

16 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE

17 EXPENSES

18 Limitations on amounts from funds of corporations and
19 other agencies for administrative expenses are hereby re-
20 duced in the following sums:

21 EXECUTIVE OFFICE OF THE PRESIDENT

22 Office for Emergency Management: Foreign Economic
23 Administration, Rubber Development Corporation, \$249,500.

24 Alien Property Custodian, \$500,000,

1 War Shipping Administration:

2 Revolving fund, \$4,312,000.

3 Maritime training fund, \$519,357.

4 INDEPENDENT OFFICES

5 Smaller War Plants Corporation:

6 Administrative expenses, \$1,550,000, and the limita-
7 tion under this head on the amount of penalty-mail costs
8 is hereby decreased from "\$50,000" to "\$40,000".

9 United States Maritime Commission:

10 Construction fund, Act June 29, 1936, revolving
11 fund, \$2,687,450.

12 EXTENDING AVAILABILITY OF APPROPRIATIONS

13 The following appropriations for the fiscal year 1946
14 are hereby continued available until June 30, 1946, except
15 as modified in this title.

16 Executive Office of the President:

17 Bureau of the Budget, national defense activities,
18 independent offices:

19 Civil Service Commission, salaries and expenses
20 (national defense).

21 Federal Communications Commission, salaries
22 and expenses (national defense).

23 Federal Power Commission: National defense ac-
24 tivities.

18

1 Federal Security Agency:

2 Office of the Administrator:

3 Salaries and expenses, Office of Community
4 War Services;

5 Expenses, temporary aid to enemy aliens and
6 other restricted persons.

7 Department of the Interior:

8 Office of the Secretary:

9 Salaries and expenses, Division of Geography,
10 Department of the Interior.

11 CORPORATE FUNDS TO BE TRANSFERRED TO THE
12 TREASURY

13 EXECUTIVE OFFICE OF THE PRESIDENT

14 Office for Emergency Management:

15 Office of Inter-American Affairs: The Director of
16 the Office of Inter-American Affairs is hereby directed
17 to deposit in the Treasury of the United States as mis-
18 cellaneous receipts the following sums representing ex-
19 cess funds of corporations created by the Coordinator of
20 Inter-American Affairs under authority of law:

21 Institute of Inter-American Transportation,
22 \$315,500.

23 Prencinradio, Incorporated, \$875,000.

24 GENERAL PROVISIONS

25 In order to accomplish the liquidation of any temporary

1 agency of the Government created to perform functions in
2 connection with the national security and defense, there may
3 be transferred to such liquidating agency as the President
4 may designate, such amount from the funds of the agency
5 to be liquidated as the Bureau of the Budget shall determine
6 is necessary therefor.

7 TITLE II—MILITARY ESTABLISHMENT

8 Office of Secretary of War:

9 Contingencies of the Army, 1942-1946,
10 \$12,829,151.

11 Expediting Production of Equipment and Supplies
12 for National Defense, 1940-1946, \$282,892,000.

13 General Staff Corps:

14 Contingent Fund, Chief of Staff, 1942-1946,
15 \$124,335,489.

16 Special Field Exercises, Army, 1942-1946,
17 \$51,246,874.

18 Finance Department:

19 Finance Service, Army, 1942-1946, \$207,000, and
20 subappropriations under this head are hereby decreased
21 as follows: (1) Expenses of courts martial, \$36,000;
22 and (2) Apprehension of deserters, \$171,000.

23 Quartermaster Corps:

24 Quartermaster Service, Army, 1942-1946, \$3,944,
25 994,479, and subappropriations under this head are

1 hereby decreased as follows: (1) Welfare of enlisted
2 men, \$10,000,000; (2) subsistence of the Army,
3 \$1,762,081,479; (3) regular supplies of the Army,
4 \$561,018,000; (4) clothing and equipage, \$1,563,-
5 225,000; (5) horses, draft and pack animals, \$1,670,-
6 000; and (6) Army transportation, \$47,000,000.

7 Transportation Corps:

8 Transportation Service, Army, 1945-1946, \$704,-
9 268,000.

10 Signal Corps:

11 Signal Service of the Army, 1942-1946, \$1,679,-
12 434,000.

13 Air Corps:

14 Air Corps, Army, 1942-1946, \$12,166,313,000.

15 Medical Department:

16 Medical and Hospital Department, Army, 1942-
17 1946, \$268,039,000.

18 Corps of Engineers:

19 Engineer Service, Army, 1942-1946, \$2,349,523,-
20 571, and subappropriations under this head are hereby
21 decreased as follows: (1) Engineer Service, \$2,054,-
22 408,571; (2) Military posts, \$148,255,000; and (3)
23 Barracks and quarters, Army, \$146,860,000.

1 Ordnance Department:

2 Ordnance Service and Supplies, Army, 1942-1946,
3 \$8,300,000,000.

4 Chemical Warfare Service:

5 Chemical Warfare Service, Army, 1942-1946,
6 \$997,870,000.

7 Special Service Schools:

8 Special Service Schools, Army, 1942-1946,
9 \$178,000, and subappropriations under this head are
10 hereby decreased as follows: (1) Infantry School,
11 \$81,000; (2) Cavalry activities, \$22,700; and (3)
12 Field Artillery activities, \$74,300.

13 Seacoast defenses:

14 Seacoast defenses, general, 1942-1946, \$1,664,000.

15 United States Military Academy: Pay of Military
16 Academy, 1942-1946, \$21,000.

17 Inter-American Relations, War Department: Inter-
18 American Relations, War Department, 1943-1946, \$75,000.

19 Office of the Secretary:

20 Contingent expenses, War Department, 1942-1946,
21 \$1,200,000.

22 Printing and binding, War Department, 1942-1946,
23 \$18,000,000.

1 TRANSFER OF APPROPRIATIONS

2 In addition to the transfers authorized by section 3 of the
3 Military Appropriation Act, 1946, transfers of not to exceed
4 the amounts hereinafter set forth may be made, with the
5 approval of the Bureau of the Budget, from the appropriation
6 "Ordnance Service and Supplies, Army", to the following
7 appropriations:

8 Army War College, \$23,819;

9 Command and General Staff School, Fort Leavenworth,
10 Kansas, \$30,189;

11 Quartermaster Service, Army, \$7,881,967;

12 Rock Island Bridge, Rock Island, Illinois, \$5,719;

13 Instruction in armored force activities, \$389,756;

14 Maintenance and Operation, United States Military
15 Academy, \$1,323,884.

16 GENERAL PROVISION

17 Appropriations for the Military Establishment for the
18 fiscal year 1946 available for expenses of travel may be
19 used under regulations prescribed by the Secretary of War,
20 for the payment, in lieu of transportation in kind or move-
21 ment at Government expense authorized by law for de-
22 pendants, of 4 cents per mile for dependents twelve years
23 of age or over and of 2 cents per mile for dependents be-
24 tween five and twelve years of age, in advance or other-
25 wise, in accordance with distances established for payment

1 and settlement of mileage accounts of officers pursuant to
2 the provisions of the Act of June 12, 1906, as amended
3 (34 Stat. 246; 10 U. S. C. 870).

4 In all, title II, \$30,903,090,564.

5 TITLE III—NAVAL ESTABLISHMENT

6 Office of the Secretary:

7 Miscellaneous expenses, Navy:

8 Fiscal year 1944, \$2,323,605.

9 Fiscal year 1945, \$671,805.

10 Fiscal year 1946, \$13,000,000.

11 Contingent, Navy:

12 Fiscal year 1944, \$74,000.

13 Fiscal year 1945, \$49,000.

14 Fiscal year 1946, \$20,000.

15 Naval emergency fund:

16 Fiscal year 1945, \$25,477.

17 Fiscal year 1946, \$3,000,000.

18 Naval Research Laboratory:

19 Fiscal year 1944, \$5,185.

20 Fiscal year 1945, \$3,002.

21 Fiscal year 1946, \$90,000.

22 Operation and conservation of naval petroleum reserves:

23 Fiscal year 1944, \$6,986.

24 Fiscal year 1945, \$6,353.

25 Fiscal year 1946, \$18,000.

1 Ocean and lake surveys, Navy:
2 Fiscal year 1944, \$6,677.
3 Fiscal year 1945, \$21,298.
4 Bureau of Naval Personnel:
5 Naval War College:
6 Fiscal year 1944, \$4,521.
7 Fiscal year 1945, \$2,886.
8 Naval Training Station, San Diego, California:
9 Fiscal year 1944, \$232,338.
10 Fiscal year 1945, \$327,515.
11 Naval Training Station, Newport, Rhode Island:
12 Fiscal year 1944, \$823.
13 Fiscal year 1945, \$256.
14 Naval Training Station, Great Lakes, Illinois:
15 Fiscal year 1944, \$459,244.
16 Fiscal year 1945, \$29,510.
17 Fiscal year 1946, \$700,000.
18 Naval Training Station, Norfolk, Virginia:
19 Fiscal year 1944, \$4,488.
20 Fiscal year 1945, \$14,879.
21 Naval Training Station, Lake Pend Oreille, Idaho:
22 Fiscal year 1944, \$54,790.
23 Fiscal year 1945, \$604,708.

1 Naval Training Station, Lake Seneca, New York:

2 Fiscal year 1944, \$38,894.

3 Fiscal year 1945, \$3,209.

4 Naval Training Station, Port Deposit, Maryland:

5 Fiscal year 1945, \$2,794.

6 Fiscal year 1946, \$500,000.

7 Fleet Training, Navy:

8 Fiscal year 1944, \$11,108.

9 Fiscal year 1945, \$164,695.

10 Fiscal year 1946, \$78,000.

11 Instruction, Navy:

12 Fiscal year 1944, \$2,151,364.

13 Fiscal year 1945, \$120,000.

14 Fiscal year 1946, \$9,000,000.

15 Libraries, Navy:

16 Fiscal year 1944, \$145,920.

17 Fiscal year 1945, \$1,693.

18 Fiscal year 1946, \$1,252,935.

19 Welfare and Recreation, Navy:

20 Fiscal year 1944, \$903,681.

21 Fiscal year 1946, \$4,124,000.

22 Naval Reserve Officers' Training Corps:

23 Fiscal year 1944, \$237,300.

24 Fiscal year 1945, \$88,337.

1 Miscellaneous expenses, Bureau of Naval Personnel:

2 Fiscal year 1944, \$3,009.

3 Fiscal year 1945, \$124.

4 Fiscal year 1946, \$20,000.

5 Naval Reserve:

6 Fiscal year 1944, \$54,961,800.

7 Fiscal year 1945, \$24,511,154.

8 Fiscal year 1946, \$50,000,000.

9 Pay, Naval Academy:

10 Fiscal year 1944, \$88,394.

11 Fiscal year 1945, \$93,796.

12 Maintenance, Naval Academy:

13 Fiscal year 1944, \$6,877.

14 Fiscal year 1945, \$2,529.

15 Naval Home, Philadelphia, Pennsylvania:

16 Fiscal year 1944, \$610.

17 Fiscal year 1945, \$1,250.

18 Naval Prison Farms and Prison Personnel:

19 Fiscal year 1944, \$10.

20 Fiscal year 1945, \$5,100.

21 Bureau of Ships:

22 Maintenance, Bureau of Ships:

23 Fiscal year 1942, \$43,907,135.

24 Fiscal year 1942-43, \$51,956,375.

25 Fiscal year 1943, \$64,050,351.

27

- 1 Fiscal year 1944, \$52,247,000.
- 2 Fiscal year 1945, \$118,474,000.
- 3 Fiscal year 1946, \$1,468,000,000.
- 4 Defense installations on merchant vessels, Navy, \$13,-
- 5 658,123.
- 6 Bureau of Ordnance:
- 7 Ordnance and ordnance stores, Navy:
- 8 Fiscal year 1944, \$551,226,542.
- 9 Fiscal year 1945, \$1,208,752,767.
- 10 Fiscal year 1946, \$2,600,000,000.
- 11 Bureau of Supplies and Accounts:
- 12 Pay, subsistence, and transportation, Navy, 1944, \$128,-
- 13 214,285.
- 14 Pay and subsistence of naval personnel, 1946,
- 15 \$1,317,369,200.
- 16 Maintenance, Bureau of Supplies and Accounts, 1946,
- 17 \$81,314,000.
- 18 Transportation of things, Navy, 1946, \$140,036,282.
- 19 Fuel, Navy, 1946, \$100,000,000.
- 20 Bureau of Medicine and Surgery:
- 21 Medical Department, Navy:
- 22 Fiscal year 1944, \$14,017,195.
- 23 Fiscal year 1945, \$12,238,592.
- 24 Fiscal year 1946, \$30,000,000.

1 Bureau of Yards and Docks:

2 Maintenance, Bureau of Yards and Docks:

3 Fiscal year 1944, \$2,431,496.

4 Fiscal year 1945, \$3,139,211.

5 Fiscal year 1946, \$15,000,000.

6 Public Works, Bureau of Yards and Docks, \$400,-
7 000,000, and the contract authorization for "Public Works,
8 Bureau of Yards and Docks" available in the fiscal year
9 1946 is hereby reduced in the sum of \$1,229,880,000:
10 *Provided*, That of this amount \$946,000,000 shall apply
11 against advance base construction, material and equipment.

12 Bureau of Aeronautics:

13 Aviation, Navy:

14 Fiscal year 1943, \$256,482,489.

15 Fiscal year 1943-44, \$193,929,557.

16 Fiscal year 1944, \$811,987,405.

17 Fiscal year 1945, \$1,468,753,102.

18 Fiscal year 1946, \$1,481,300,000, and subappro-
19 priations under this head are hereby decreased as fol-
20 lows: (1) New construction and procurement of aircraft
21 and equipment, spare parts, and so forth, from "\$799,-
22 128,500" to "\$135,765,200", (2) replacement of navi-
23 gational and radio equipment for aircraft in service, and
24 so forth, from "\$168,808,200" to "\$44,934,000", (3)
25 maintenance, repair, and operation of aircraft factory,

1 air stations, and so forth, from "\$1,431,840,800" to
2 "\$758,050,800", and (4) continuing experiments and
3 developmental work, and so forth, from "\$81,272,500"
4 to "\$61,000,000"; and the unobligated portion of the
5 contract authorization provided under this head is hereby
6 repealed.

7 Marine Corps:

8 Pay, Marine Corps:

9 Fiscal year 1944, \$41,321,480.

10 Fiscal year 1945, \$10,000,000.

11 Fiscal year 1946, \$69,913,260.

12 Pay of civil force, Offices of Commandant of Marine
13 Corps and Director of Personnel:

14 Fiscal year 1944, \$358.

15 Fiscal year 1945, \$174.

16 Pay of civil force, Office of Paymaster General, Marine
17 Corps:

18 Fiscal year 1944, \$330.

19 Fiscal year 1945, \$118.

20 Pay of civil force, Office of Quartermaster General,
21 Marine Corps:

22 Fiscal year 1944, \$844.

23 Fiscal year 1945, \$1,059.

24 General expenses, Marine Corps:

25 Fiscal year 1944, \$79,787,482.

1 Fiscal year 1945, \$56,737,554.

2 Fiscal year 1946, \$310,000,000.

3 Increase and replacement of naval vessels:

4 Increase and replacement of naval vessels, con-
5 struction and machinery, \$732,104,151.

6 Increase and replacement of naval vessels,
7 armor, armament and ammunition, \$276,876,967.

8 Increase and replacement of naval vessels,
9 emergency construction, \$38,385,489: *Provided,*
10 That the balances remaining of appropriations under
11 "Increase and replacement of naval vessels" shall
12 not be available for the period of the fiscal year 1946
13 subsequent to October 16, 1945, for beginning the
14 construction of any new vessels.

15 Repair facilities, Navy:

16 Repair facilities, Navy, \$38,266,050, and the
17 contract authorization for "Repair facilities, Navy",
18 available in the fiscal year 1946 is hereby reduced
19 in the sum of \$27,562,131.

20 Coast Guard:

21 Salaries, Office of Commandant, United States Coast
22 Guard:

23 Fiscal year 1944, \$219.

24 Fiscal year 1945, \$133,293.

31

1 Pay and allowances, Coast Guard:

2 Fiscal year 1944, \$35,006,326.

3 Fiscal year 1945, \$8,658,922.

4 Fiscal year 1946, \$80,000,000.

5 General expenses, Coast Guard:

6 Fiscal year 1944, \$631,865.

7 Fiscal year 1945, \$1,289,896.

8 Fiscal year 1946, \$20,000,000.

9 Civilian employees, Coast Guard:

10 Fiscal year 1944, \$109,654.

11 Fiscal year 1945, \$200,633.

12 Establishing and improving aids to navigation, Coast
13 Guard, \$346,000.

14 Acquisition of vessels and shore facilities, Coast Guard,
15 \$2,741,000.

16 Retired pay, former Lighthouse Service, Coast Guard:

17 Fiscal year 1944, \$73,320.

18 Fiscal year 1945, \$48,109.

19 Salaries, Merchant Marine Inspection, Coast Guard,
20 1945, \$25,536.

21 Salaries and expenses, Merchant Marine Inspection,
22 Coast Guard:

23 Fiscal year 1944, \$899,401.

24 Fiscal year 1945, \$373,270.

1 Emergency construction, vessels and shore facilities,
2 Coast Guard (Navy), \$231,000.

3 Special projects, vessels, Coast Guard (Navy), \$127,-
4 000.

5 Special projects, aids to navigation, Lighthouse Service,
6 Coast Guard (Navy), \$28,699.

7 Special projects, aids to navigation, Coast Guard
8 (Navy), \$556,000.

9 NAVY DEPARTMENT

10 Salaries:

11 Salaries, Office of Secretary of the Navy:

12 Fiscal year 1944, \$78.

13 Fiscal year 1945, \$5,330.

14 Salaries, General Board, Navy Department:

15 Fiscal year 1944, \$3,826.

16 Fiscal year 1945, \$8,775.

17 Salaries, Naval Examining and Retiring Boards:

18 Fiscal year 1944, \$1,536.

19 Fiscal year 1945, \$5,662.

20 Salaries, Office of Naval Records and Library:

21 Fiscal year 1944, \$879.

22 Fiscal year 1945, \$7,035.

23 Salaries, Office of Judge Advocate General, Navy:

24 Fiscal year 1944, \$5,312.

25 Fiscal year 1945, \$36.

33

1 Salaries, Office of Chief of Naval Operations:

2 Fiscal year 1944, \$787.

3 Fiscal year 1945, \$731.

4 Salaries, Board of Inspection and Survey, Navy Depart-
5 ment:

6 Fiscal year 1944, \$3,452.

7 Fiscal year 1945, \$2,893.

8 Salaries, Office of Director of Naval Communications:

9 Fiscal year 1944, \$125.

10 Fiscal year 1945, \$18,647.

11 Salaries, Office of Naval Intelligence:

12 Fiscal year 1944, \$2,932.

13 Fiscal year 1945, \$923.

14 Salaries, Hydrographic Office:

15 Fiscal year 1944, \$176,696.

16 Fiscal year 1945, \$16,357.

17 Salaries, Naval Observatory:

18 Fiscal year 1944, \$38.

19 Fiscal year 1945, \$1,117.

20 Salaries, Bureau of Ships:

21 Fiscal year 1944, \$2.

22 Salaries, Bureau of Ordnance:

23 Fiscal year 1944, \$322.

24 Fiscal year 1945, \$151.

1 Salaries, Bureau of Supplies and Accounts:

2 Fiscal year 1944, \$2,992.

3 Fiscal year 1945, \$2,414.

4 Salaries, Bureau of Medicine and Surgery:

5 Fiscal year 1944, \$4,578.

6 Fiscal year 1945, \$2,854.

7 Salaries, Bureau of Yards and Docks:

8 Fiscal year 1944, \$94.

9 Salaries, Bureau of Aeronautics:

10 Fiscal year 1944, \$46.

11 Contingent expenses:

12 Contingent expenses, Navy Department, 1944, \$10,322.

13 Contingent expenses, Navy Department, 1946:

14 The amount which may be transferred to this appro-
15 priation from other appropriations contained in the Naval
16 Appropriation Act, 1946, is hereby decreased from "\$5,500,-
17 000" to "\$4,500,000".

18 Printing and binding, Navy Department, 1946:

19 The amount which may be transferred to this appro-
20 priation from other appropriations contained in the Naval
21 Appropriation Act, 1946, is hereby decreased from "\$18,-
22 500,000" to "\$10,500,000".

23 Contingent and miscellaneous expenses, Hydrographic
24 Office:

25 Fiscal year 1944, \$289,839.

35

1 Fiscal year 1945, \$94,942.

2 Fiscal year 1946, \$413,000.

3 Contingent and miscellaneous expenses, Naval Observa-
4 tory:

5 Fiscal year 1944, \$572.

6 Fiscal year 1945, \$40.

7 GENERAL PROVISIONS

8 Provisions of law prohibiting the payment of compensa-
9 tion to any person not a citizen of the United States shall
10 not apply to personnel under the Naval Establishment during
11 the fiscal year ending June 30, 1946.

12 Notwithstanding the provisions of section 10 of the Pay
13 Readjustment Act of 1942 (56 Stat. 364), the Secretary
14 of the Navy is authorized and directed to issue in kind during
15 the fiscal year ending June 30, 1946, one service blue uni-
16 form and overcoat to each enlisted man in the naval service
17 upon return to the United States from sea and foreign shore
18 duty upon the sworn statement of such enlisted man that he
19 was prevented, by competent naval authority, from taking
20 such articles of clothing with his person at the time of his
21 assignment to sea and foreign shore duty: *Provided*, That
22 the value of such articles of clothing shall be charged to the
23 clothing and small-stores fund.

24 In all, title III, \$14,604,721,830.

36

1

GENERAL PROVISION

2 The officer and enlisted personnel strengths of the
3 Army, Navy, Marine Corps, and Coast Guard shall be
4 demobilized at a rate not less than would be necessary to
5 keep within the amounts available for their pay in conse-
6 quence of the provisions of this Act, unless the President
7 otherwise shall direct.

8 SEC. 301. This Act may be cited as the "First Supple-
9 mental Surplus Appropriation Rescission Act, 1946".

Passed the House of Representatives October 19, 1945.

Attest:

SOUTH TRIMBLE,

Clerk.

79TH CONGRESS
1ST Session

H. R. 4407

AN ACT

Reducing certain appropriations and contract
authorizations available for the fiscal year
1946, and for other purposes.

OCTOBER 22, 1945

Read twice and referred to the Committee on
Appropriations

79TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } No. 653

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1946

JUNE 1, 1945.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 3368]

The Committee on Appropriations submits the following report in explanation of the bill entitled "A bill making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes."

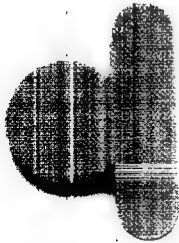
SCOPE OF BILL

The Budget estimates upon which the bill is based were submitted in the following House documents of the present session: Nos. 120, 140, 162, 163, 165, 174, and 176. The Budget estimates comprise funds for 18 war agencies in the Executive Office of the President and 1 under the Interior Department. The list does not include the War Manpower Commission, which is carried in the Labor-Federal Security Agency appropriation bill.

Estimates were submitted in the documents above referred to for three agencies upon which no action has been taken by the committee. They have been laid aside for future consideration. The Foreign Economic Administration estimates are being held pending receipt of estimates for lend-lease as the two are closely related and should be considered together. The Price Control Act which authorizes the operations of the Office of Price Administration expires on June 30, and bills to extend it are now pending in Congress. Bills to authorize the Fair Employment Practices Committee are also currently under consideration. On these two items the only logical course is to await legislative developments before making a recommendation.

The agencies for which funds are included in this bill are—

National War Labor Board
Office of Alien Property Custodian
Office of Defense Transportation



Office of Economic Stabilization
Office of Scientific Research and Development
Office of Inter-American Affairs
Office of War Information
War Production Board
Smaller War Plants Corporation
War Shipping Administration
Office of Censorship
Office of Strategic Services
Petroleum Administration for War
Office of War Mobilization and Reconversion
Office of Contract Settlement
Office of Retraining and Recmployment
Surplus Property Board
Selective Service System
War Relocation Authority

This bill marks the beginning of the end of those agencies established during the war to develop and maintain the war production machine, to furnish the necessary civilian assistance to the armed forces, and to adjust the civilian economy to wartime necessity. Many of the controls and regulatory measures which have been adopted, while imperative in fighting a total war, are foreign to the American way of life; they should be eased as rapidly as progress of the war will permit and abolished as soon as the national security no longer requires them. As these controls and regulations are lifted, the agencies established to administer them must be reduced in size with a view to liquidation at the earliest possible date. They are expensive and the financial burdens of the Government are such as to require that no part of any of these temporary agencies be permitted to exist beyond the date of actual usefulness. The estimates originally submitted to the committee were prepared before the capitulation of Germany, and were made at a time when it was not possible to say whether or not the war in Europe would continue into 1946. The Bureau of the Budget reviewed these estimates when it became apparent that the shooting war in Europe would be over before July 1, and submitted revised estimates based on the continuation of actual warfare in 1946 in the Pacific only. The committee has reviewed the estimates with that consideration in mind and has made further reductions wherever possible.

The committee already has presented two joint resolutions proposing rescissions in appropriations for the fiscal year 1945. These rescissions were proposed by the Bureau of the Budget in compliance with section 303 of the second Deficiency Appropriation Act, 1944. During 1946 it will be even more important to maintain close surveillance over the wartime appropriations in order to recapture as much as possible as soon as possible. This the Committee on Appropriations expects to make a first order of business until the Government has been reduced to peacetime levels and economical procedures have been established.

The Office of Civilian Defense was included in the original estimates for 1946, but with the cessation of hostilities in Europe the estimate was withdrawn. This agency is now being liquidated.

The appropriation recommended for the War Relocation Authority probably will be the last appropriation for that agency as present plans contemplate winding up its affairs during 1946. These are the first of the war agencies to be closed.

RECONVERSION

The bill as presented, in a sense, is a transitional bill in that, it includes funds for the further prosecution of the war against Japan, and at the same time provides for the initial steps in reconverting to a peacetime status. During the past year, the Congress has enacted the Contract Settlement Act, the Surplus Property Act, and the War Mobilization and Reconversion Act. The agencies of Government provided for in these laws have been established and provision for their support for 1946 is included.

CONTINUING ACTIVITIES

There have been suggestions from time to time that certain of the programs undertaken as defense and wartime measures—notably such activities as the Office of Inter-American Affairs—may be required for a period of time after the cessation of hostilities. Wherever that is true, immediate steps should be taken looking to the enactment of the necessary legislation to authorize their continuance, preferably as a part of regular agencies of the Government, for such period as may be determined to be necessary. The Committee on Appropriations has been willing to present such items to the House without authority of law only because of their war emergency nature and will not propose to the Congress the appropriation of funds for such activities for any period after war necessity ceases, unless authorized by law.

APPROPRIATIONS AND ESTIMATES

The financial data with respect to the bill are as follows:

| | |
|----------------------------------------------------------|-----------------|
| 1945 funds for all agencies: | |
| Direct appropriations | \$976, 613, 730 |
| Contract authorization | 2, 500, 000 |
| Total | 979, 113, 730 |
| 1946 Budget estimates: | |
| Direct appropriations | 881, 577, 500 |
| Contract authorization | |
| Total | 881, 577, 500 |
| Committee recommendation for 1946: Direct appropriations | 769, 764, 850 |
| Committee recommendation less than 1945 funds: | |
| Direct appropriations | 206, 848, 880 |
| Contract authorization | 2, 500, 000 |
| Total | 209, 348, 880 |
| Committee recommendation less than 1946 estimates: | |
| Direct appropriations | 111, 812, 650 |
| Contract authorization | |
| Total | 111, 812, 650 |

NATIONAL WAR LABOR BOARD

| | |
|------------------------------------------------|----------------|
| 1945 appropriations | \$14, 300, 000 |
| 1946 Budget estimate | 13, 405, 000 |
| Committee recommendation for 1946 | 13, 320, 000 |
| Recommendation less than 1945 funds | 980, 000 |
| Recommendation less than 1946 Budget estimates | 85, 000 |

The reduction below the estimate represents a 10-percent cut in the amount proposed for travel and penalty mail. Of the amount recommended, \$8,129,269 is for personal services and the remainder is for other administrative expenses.

This Board is rendering a very necessary function in settling disputes between management and labor. As it has progressed, the Board has been able to simplify procedures and otherwise improve its method of handling cases with a resultant increase of 20 percent in the number of cases disposed of and a reduction from 20 weeks to 12 weeks in the time required to settle a disputed case. The time required to handle voluntary cases (cases in which management and labor are in accord but in which it is necessary to secure approval of the Board to insure compliance with Federal statutes) has been reduced from 5 weeks to 3½ weeks. The number of days lost in strikes and lock-outs in 1944 averaged four per worker involved, whereas, in 1943, the average was six. In 1940, the average was 11.6, and in 1939, it was 15.2. It is just as important in 1946 as in 1945 that labor-management disputes be settled with a minimum of delay and the committee therefore does not believe a further reduction is warranted.

OFFICE OF ALIEN PROPERTY CUSTODIAN

| | |
|-----------------------------------------------------|-------------|
| 1945 appropriations..... | \$4,000,000 |
| 1946 Budget estimate..... | 3,370,000 |
| Committee recommendation for 1946..... | 2,500,000 |
| Recommendation less than 1945 funds..... | 1,500,000 |
| Recommendation less than 1946 Budget estimates..... | 870,000 |

Administrative expenses of the Office of Alien Property Custodian are paid from funds over which the Custodian exercises control and the bill carries a limitation on the amount of such funds which may be so expended. The volume of work required by the Custodian should show a rather marked decrease and the committee therefore has determined that the estimate can and should be reduced.

In the appropriation for 1945 for the Office of Alien Property Custodian, the Congress required a report not later than April 1, 1945, on all administrative and nonadministrative expenses incurred in connection with the activities of the Office and the estimate proposed to defer the second such report until November 1, 1946. The committee has amended the language to require the second report to be made November 1, 1945.

OFFICE OF CIVILIAN DEFENSE

| | |
|-----------------------------------------------------|-----------|
| 1945 appropriations..... | \$778,875 |
| 1946 Budget estimate..... | |
| Committee recommendation for 1946..... | |
| Recommendation less than 1945 funds..... | 778,875 |
| Recommendation less than 1946 Budget estimates..... | |

The original Budget estimate for this item—\$369,000—was withdrawn by the President on May 2, 1945.

Over a period of 4 years funds totaling \$112,225,950 were appropriated for civilian defense activities. Of this amount, \$100,000,000 was for protective property such as gas masks, fire-fighting equipment, and medical equipment. Only half, approximately, of this sum was actually expended. The expenditures by the Federal Government represent only a small portion of the civilian defense program. People in every community in the Nation gave of their time, their talents,

and their funds to organize the civilian population to meet then foreseeable emergencies which fortunately did not materialize.

Many persons, both men and women, volunteered for assignments to which no compensation attached other than the sense of satisfaction in having rendered a public service and which would have been extremely hazardous had an enemy assault been made upon the country.

At the time the program was undertaken, it was the general consensus that such precautionary measures were amply justified. The cost is just a part of the price paid for defending the country.

OFFICE OF DEFENSE TRANSPORTATION

| | |
|-----------------------------------------------------|--------------|
| 1945 appropriations..... | \$14,050,000 |
| 1946 Budget estimate..... | 7,700,000 |
| Committee recommendation for 1946..... | 7,000,000 |
| Recommendation less than 1945 funds..... | 7,050,000 |
| Recommendation less than 1946 Budget estimates..... | 700,000 |

The Office of Defense Transportation has had one of the most difficult tasks of the war. The transportation facilities of the country have been strained to the breaking point with a volume of freight and passenger traffic far exceeding anything previously known; at the same time, they have contributed their share of manpower to the armed forces and have operated under serious handicaps in procuring needed new equipment. Their task has been difficult and, with the guidance and assistance of the Office of Defense Transportation functioning in its capacity as an emergency regulatory body, they have well discharged their wartime responsibilities.

The revised budget presented to the committee contemplates a gradual reduction in the activities of the Office, permitting of a reduction in employment from 3,133 employees on the rolls in July 1945, to 950 in June 1946. After a careful review of the probable demands upon the Office, the committee believes all necessary obligations can be met and, at the same time, the reduction in personnel accelerated, thereby permitting the further reduction in funds proposed herein.

The estimate included \$6,223,700 for personal services and the remainder was distributed among other objects of administrative costs. The committee has not applied the reduction to particular items except to make a cut proportionate to the total in travel and penalty mail and to further reduce those items 10 percent.

In certain instances the Office of Defense Transportation has found it necessary to take over for direct operation certain truck lines and in the operation of such lines the Office has determined not to pay certain taxes. In the judgment of the committee a line operated temporarily by the Government should pay to the States all taxes and license fees which it would be required to pay if it were operated by the private owners and language to require such payment has been included in the bill.

OFFICE OF ECONOMIC STABILIZATION

| | |
|-----------------------------------------------------|-----------|
| 1945 appropriations..... | \$100,000 |
| 1946 Budget estimate..... | 197,000 |
| Committee recommendation for 1946..... | 196,250 |
| Recommendation exceeds 1945 funds..... | 96,250 |
| Recommendation less than 1946 Budget estimates..... | 750 |

This Office has recently been reorganized and the new Director informs the committee that he needs to add personnel to his staff in order to be able to cope with vital problems related to the continuation of the war and reconversion for which his present organization is inadequate. In view of such necessity, the committee has approved the increase in personnel. The reduction below the budget is a 10-percent cut in the amounts recommended for travel and penalty mail.

OFFICE OF SCIENTIFIC RESEARCH AND DEVELOPMENT

| | |
|-----------------------------------------------------|---------------|
| 1945 appropriations..... | \$102,000,000 |
| 1946 Budget estimate..... | 77,500,000 |
| Committee recommendation for 1946..... | 70,000,000 |
| Recommendation less than 1945 funds..... | 32,000,000 |
| Recommendation less than 1946 Budget estimates..... | 7,500,000 |

This agency has contributed immeasurably to the winning of the present wars and has made a signal contribution to the advancement of science in military directions, and, incidentally, in directions that will appreciably benefit the civilian populace. The results of the medical research program of the agency will be of lasting benefit to the Nation and the world.

It is the desire of the committee to supply whatever funds which may be required to carry on all necessary work of definite or potential value to the armed services, but it is not now possible to project all of the fields of endeavor for the ensuing fiscal year. After careful consideration it is the judgment of the committee that \$70,000,000 should be adequate for all undertakings now foreseeable.

OFFICE OF INTER-AMERICAN AFFAIRS

| | |
|-----------------------------------------------------|--------------|
| 1945 appropriations..... | \$17,693,000 |
| 1946 Budget estimate..... | 15,880,000 |
| Committee recommendation for 1946..... | 14,000,000 |
| Recommendation less than 1945 funds..... | 3,693,000 |
| Recommendation less than 1946 Budget estimates..... | 1,880,000 |

The programs of the Office of Inter-American Affairs have contributed to a better understanding between the nations of the Western Hemisphere as well as to mutual economic and cultural development, which should prove of mutual value through the stimulation of commercial relations.

Mr. Nelson A. Rockefeller, who organized the Office of Inter-American Affairs and served as its head until January 1945, at which time he became Assistant Secretary of State for American Republic Affairs, appeared before the committee, representing the State Department, and urged the approval of the estimate. The following is an excerpt from his statement:

The unity of this hemisphere has proved its importance during the war from a security point of view, both on the military side and also from the production point of view, with the access to war materials essential to tremendous war production. The unity of the Americas is of vital importance for their security and for the welfare of the United States, both from the point of view of security and from the point of view of the maintenance of our economic development and providing job opportunities for men and women coming back from the armed services and those who have been working in war production.

We have to maintain a high standard of production and national income, and that can only be done by increasing tremendously our exports and our imports, particularly our imports which come in the way of raw materials, because of the rapidity with which we are using our own available sources of supply (hearings, p. 501).

Certain contractual obligations have been incurred through corporations which the Office of Inter-American Affairs has established under authority of law. These obligations must be met and the amount required for this purpose for 1946, \$3,844,713, is carried in the bill. It should now be possible, however, for the Office to reduce the volume of publications which it circulates and the amount of radio time utilized in short-wave broadcasts, as well as to curtail other direct costs not involved in the contracts above mentioned. This program is of such character that the committee is not disposed to tie the hands of the Director by eliminating amounts for specific activities and leaves it to his judgment to effect the savings necessary to meet the reduction in such manner as to carry on a well-balanced program.

OFFICE OF WAR INFORMATION

| | |
|-----------------------------------------------------|----------------|
| 1945 appropriations..... | \$53, 875, 367 |
| 1946 Budget estimate..... | 42, 000, 000 |
| Committee recommendation for 1946..... | 35, 000, 000 |
| Recommendation less than 1945 funds..... | 18, 875, 367 |
| Recommendation less than 1946 Budget estimates..... | 7, 000, 000 |

The estimate and the amount recommended are divided as follows:

| | Estimate | Recommendation |
|--------------------------|----------------|----------------|
| Overseas operations..... | \$37, 362, 324 | \$31, 135, 270 |
| Domestic operations..... | 1, 557, 000 | 1, 297, 500 |
| General expenses..... | 3, 080, 676 | 2, 567, 230 |
| Total..... | 42, 000, 000 | 35, 000, 000 |

The Overseas Operations Branch has a twofold job: psychological warfare, in which they actively participate with the armed forces in the war against our enemies, and the dissemination to our allies and other nations of the world of news regarding America's aims and intentions and the successes of her war effort. So far as psychological warfare is concerned, there is no doubt of its success in the European war. On April 14, 1945, the German radio at Berlin said:

Allied propaganda * * * influenced the military situation by sapping a lot of Germany's strength and * * * forcing the high command to change its strategic plans (hearings, p. 960).

Psychological warfare is a cooperative effort between the Office of War Information, with its staff of technical experts in news, radio, publications, and communications, and the military forces. In every instance it is wholly under control of the military authorities. The Office of War Information does not operate in any theater of war except with the approval and the active cooperation not only of the high command in Washington, but of the military or naval commander in the theater. For example, of the total number of employees now involved in psychological warfare, there are now 360 persons on the pay roll of the Office of War Information serving under the command of General MacArthur and 12 additional persons are en route to join the present staff. The general has requested that this staff be increased and that additional radio facilities be supplied by the Office of War Information, and these additions are in process of being made available to General MacArthur. A letter from Brig. Gen.

Bonner F. Fellers, assistant chief of staff to General MacArthur in charge of psychological warfare, voicing his approbation of the work of the Office of War Information in the Pacific, appears on page 1055 of the hearings.

In disseminating news about America and America's aims and intentions throughout the remainder of the world, Office of War Information serves quite a different purpose which is best described in a letter under date of May 23, 1945, from Acting Secretary of State Grew, which is quoted in part as follows:

* * * the Department of State is deeply appreciative of the work done by the Office of War Information in helping to make known, to the peoples of other countries, the basic objectives and purposes of American foreign policy.

The Department feels that it is quite as important now that the war is over in Europe, as it was during that war, to make the American position known and understood abroad.

The peoples of many of the European countries are just now emerging from a period of occupation during which they were not only uninformed of American policy and American action, but were actively misled as to both by our enemies. It will require time and patience and hard work to correct the false and misleading conception of the American people and the American purpose disseminated by the Nazis over the years of their occupation of Europe. * * *

The need for informational activities abroad has been recognized by other nations for many years. Virtually every foreign country has embarked on such a program and, at the present time, the representatives in the United States of 55 nations are registered with the Department of Justice. Many are represented by American public relations counsel or advertising firms, but 15 maintain official government information services.

The committee is fully cognizant of the necessity of maintaining throughout the remainder of the war period the flow of information to the countries of Europe and Africa and Asia but, in reducing the amount requested for the Office of War Information, takes the position that we have now progressed to a point where all services other than psychological warfare against the Japanese may be materially reduced. Reductions in the field operations abroad would of course carry with them compensating reductions in servicing units in New York, Washington, and San Francisco related to them.

Domestic Operations Branch.—The Domestic Operations Branch is the coordinating and guiding unit of the Government's entire informational operations insofar as they pertain to war agencies and war-related activities of old-line agencies. In addition to maintaining policy control in these matters, such branch has the responsibility of approving all informational releases and publications by other agencies in order to insure compliance with governmental policies as to subject matter and with wartime regulations for the conservation of paper, and so forth. This function is carried on through the Inter-Agency Publications Committee. The operations of this Committee resulted in the reduction of paper consumption 38.5 percent (15,400 tons) in the calendar year 1944 as compared with 1943.

As a specific example of accomplishments the Office of War Information devised a new method of duplicating and distributing of war-casualty lists which has resulted in a saving to the Government of \$68,000 per year.

In addition, all requests by governmental agencies for the utilization of radio time must be approved by Domestic Operations Branch. There are so many agencies of the Government desirous of using radio

time in recruiting programs, sales of bonds, and other war supporting activities that it is necessary to have a central point of contact with the broadcasting companies in order to effect a proper distribution, with due regard to needs of the various programs and their urgency in relation to such time as is available on the air for use of the Federal Government. The broadcasting companies have been more than generous with time, which is their stock in trade, and the Government must provide a central contact point for them.

The estimate contemplates restoration of the Surveys Division which was eliminated by Congress from the 1945 Budget. This division made surveys to determine the effectiveness and success of various information programs. A year ago the committee determined, after searching inquiry, that such surveys did not serve a purpose worth the amount expended and this year has reviewed the matter but does not believe substantial disadvantage has resulted from the lack of such surveys during 1945 and therefore has again not provided for the Division. The amount requested for the Division was \$128,530.

WAR PRODUCTION BOARD

| | |
|------------------------------------------------|----------------|
| 1945 appropriations | \$63, 500, 000 |
| 1946 Budget estimate | 39, 148, 000 |
| Committee recommendation for 1946 | 35, 000, 000 |
| Recommendation less than 1945 funds | 28, 500, 000 |
| Recommendation less than 1946 Budget estimates | 4, 148, 000 |

The estimates contemplate production for a one-front war through 1946 and the production schedules which form the bases of the estimates are intended to provide such production as is necessary to continue on a total war basis against Japan through the entire year. In addition to war production, the War Production Board has two other major problems; that is, maintenance of the war supporting and essential civilian economy through allocations of materials, and so forth, and the reconversion of industry to peacetime purposes. These tasks are all difficult and each is rendered the more difficult by the very fact that they occur all together rather than in sequence.

With respect to the contribution of the United States to the production of war materials, Chairman Krug, of the War Production Board, made the following statement in the hearings before the committee:

When Mr. Nelson appeared before you about a year ago he told you that the national economy was about to reach the very limit of its productive capacity, and I think that happened during 1944. We got up to \$198,000,000,000 of production and services. That was an increase of about \$10,000,000,000 over what we did in the preceding year.

Now, during that period the proportion of war goods and services has remained about the same; a little over 40 percent of our total is in the war effort. That means that, for the first time, the United States devoted about as much of its productive capacity to war as Great Britain, Russia, and Germany. In short, we squeezed our own civilian effort to get our war production up to the limit.

During that period the United States contributed 45 percent of the aggregate world's production of combat munitions. In short, the United States alone produced almost as much in the way of munitions as the rest of the world combined, including not only our foes but our allies as well (hearings, p. 650).

On May 7, when the Board appeared before the committee, Mr. Krug stated that at that time they had been able to revoke 100 of the 420 control orders and that within 3 months from that date another hundred controls probably could be lifted. Many of the remainder

will have to remain in force until the end of the Japanese war. When asked how soon after the end of the Japanese war the War Production Board could get out of business, Mr. Krug made the following statement:

I hate to estimate it precisely in terms of months, but it would seem to me in a very short period of time. I think we ought to have enough organization left to tie up our records and make clear for the future what the War Production Board did and how it did it, so that we do not have months and months of time lost later on, without any records to show how it was done. But in terms of administering war controls, I think practically all of this can terminate on the day of victory over the Japs.

* * * the military production or procurement must be tied into the civilian production. We would have to await their adjustment in procurement. We would have delays mostly involving our controls in textiles and lumber. If the Japanese war ended, the military programs could not be adjusted overnight. I would assume in a very reasonable period of time they would be (hearings, p. 656).

No one, of course, can predict how rapidly the events which will affect the program of the War Production Board will take place, but the elimination of governmental controls over materials and production just as rapidly as that can be accomplished will be a long step in the direction of reconversion. Not one of these controls should be maintained one day beyond the time when it is no longer needed for military production, or after there has become available an adequate supply of raw materials for civilian purposes.

Previous appropriations for the War Production Board have made provision for scientific research on materials, material substitutes, etc., and the estimate included \$1,000,000 for this purpose in 1946. In the judgment of the committee further research probably would contribute little to the war effort, inasmuch as research is necessarily a slow process and, therefore, the language authorizing such research and the amount proposed have been eliminated. Another project which should be susceptible of considerable reduction is the lumber program on which \$836,000 has been expended in 1945, and \$1,100,000 is proposed in 1946. With the over-all reduction of war-production schedules the committee believes \$500,000 should be adequate for this project.

SMALLER WAR PLANTS CORPORATION

| | |
|-----------------------------------------------------|--------------|
| 1945 appropriations..... | \$10,000,000 |
| 1946 Budget estimate..... | 8,000,000 |
| Committee recommendation for 1946..... | 7,000,000 |
| Recommendation less than 1945 funds..... | 3,000,000 |
| Recommendation less than 1946 Budget estimates..... | 1,000,000 |

¹ From the funds of the Corporation.

Distribution of war contracts to the smaller industrial plants has been greatly facilitated by the activities of the Corporation, and it is now confronted with the task of aiding such business organizations in converting to peacetime operations. The small businesses of the Nation constitute a very important segment of the national economy and the committee is desirous of providing every needed service to insure the protection of these smaller business units in the war and reconversion periods. However, the Corporation has now been in business for a sufficient length of time to become fully organized and

to have established methods of operation which will enable it to carry on its functions with a somewhat reduced administrative staff. Furthermore, the relaxations of controls over materials as we go forward into the reconversion period will relieve the Corporation of the heavy burden of securing the proper allocation of short-supply items.

Previous appropriation acts have carried a clause excluding from administrative expenses certain types of expenditures such as acquiring, operating, or maintaining real or personal property, and permitting those expenditures to be charged against the general funds of the Corporation. The committee has approved the provision for 1946, but has placed a limitation on the amount of such expenditures at \$1,000,000, which should be adequate for the purpose.

WAR SHIPPING ADMINISTRATION

REVOLVING FUND

| | |
|-----------------------------------------------------|-----------------|
| 1945 appropriations..... | \$450, 000, 000 |
| 1946 Budget estimate..... | 407, 000, 000 |
| Committee recommendation for 1946..... | 367, 000, 000 |
| Recommendation less than 1945 funds..... | 83, 000, 000 |
| Recommendation less than 1946 Budget estimates..... | 40, 000, 000 |

The War Shipping Administration is operating all American ships, whether publicly or privately owned, for the war period and has made one of the outstanding records among the various agencies which have been called upon to perform tasks which, in any but a war period, would be dismissed as impossible. The cargo fleet, on January 1, 1945, had in 3 years quadrupled in size, the tanker fleet had more than doubled in size, and the number of officers and men in the merchant marine had more than doubled. During this same period in which the tonnage to be moved was increasing at a rate which kept the fleet taxed to capacity and each new ship was needed actually before it moved off the ways, efficiency of operations had so improved that the number of ships delayed for lack of crews had reduced from 18 in the first 2 weeks of August 1942 to an average of less than two a week from September 1943 through 1944. The fleet is still increasing and will continue to increase until late in 1946. The average number of ships in operation through 1946 will be 22 percent above the average in 1945.

The cost of operations is paid from a revolving fund to which appropriations totaling \$3,960,000,000 have been made over a 4-year period. Revenues to the fund are expected to total \$1,077,900,000 in 1945, and this figure is expected to increase, according to the estimates of War Shipping Administration, to \$1,429,200,000 in 1946. Total expenses in 1945 are \$2,610,200,000 and are expected to be \$3,096,400,000 in 1946. The bases of estimates of both revenues and expenditures include so many uncertain factors that it is not possible to forecast actually just what the total contribution from the Treasury must be to meet the deficiency between receipts and expenditures. In making the four previous appropriations to the revolving fund, the Congress has appropriated \$100,000,000 less than was requested in the Budget estimates, but funds appropriated have been adequate. The estimate for 1946 contemplates an unobligated balance at the end of the year of \$50,000,000. The action of the committee has the effect of reducing this figure to \$10,000,000. A proposed transfer

from the insurance fund of \$50,000,000 has been approved and, in the event additional funds are required during the year, it may be possible to transfer additional amounts from the insurance fund.

The committee has interrogated officials of the War Shipping Administration at some length with regard to the renegotiation of contracts and is informed that efforts thus far have resulted in recoveries of \$16,230,197, or 7.4 percent of the total amount involved in the 478 cases closed. Additional recoveries will be made, but the amounts probably will not compare with the totals for other agencies inasmuch as the contracts of the War Shipping Administration are largely service contracts and will not produce the large recoveries which may be expected from manufacturing and construction contracts. The committee regrets that the efforts to renegotiate in connection with the Red Sea voyages have met with resistance from all but two of the owners involved. The committee believes that renegotiation proceedings should be pressed vigorously and that any excessive profits should be recovered. It is hoped that the steamship industry will see the wisdom of full cooperation in this respect.

MARITIME TRAINING FUND

| | |
|-----------------------------------------------------|--------------|
| 1945 appropriations..... | \$80,000,000 |
| 1946 Budget estimate..... | 78,270,000 |
| Committee recommendation for 1946..... | 70,000,000 |
| Recommendation less than 1945 funds..... | 10,000,000 |
| Recommendation less than 1946 Budget estimates..... | 8,270,000 |

The training program must continue so long as the fleet is increasing. Thereafter there will be only such training required as is necessary to provide replacements. It has been the custom to pay from this fund the wages of seamen who are in a stand-by status, waiting for assignment to ships and this item is estimated to cost \$7,008,000. This would appear to be a proper charge against operations rather than against training and the committee has eliminated it from the training fund in order that it may be charged to the revolving fund and included as a part of the cost of ship operations.

OFFICE OF CENSORSHIP

| | |
|-----------------------------------------------------|--------------|
| 1945 appropriations..... | \$24,593,000 |
| 1946 Budget estimate..... | 14,350,000 |
| Committee recommendation for 1946..... | 13,000,000 |
| Recommendation less than 1945 funds..... | 11,593,000 |
| Recommendation less than 1946 Budget estimates..... | 1,350,000 |

With the cessation of hostilities in Europe it is possible to reduce drastically the censorship of mail and other communications. In April the office had 10,097 employees on the roll and contemplates the employment of 6,048 at the end of the fiscal year 1946. The estimate was very hurriedly revised to provide for a one-front war and, according to testimony, some of the reductions below the current operations were estimated on a proportionate basis due to lack of time for a detailed study to determine all items which can be eliminated. The committee believes that a careful survey of the operations will enable the Office of Censorship to eliminate enough unnecessary services to meet the reduction imposed.

OFFICE OF STRATEGIC SERVICES

| | |
|-----------------------------------------------------|----------------|
| 1945 appropriations..... | \$43, 000, 000 |
| 1946 Budget estimate..... | 38, 166, 000 |
| Committee recommendation for 1946..... | 20, 000, 000 |
| Recommendation less than 1945 funds..... | 23, 000, 000 |
| Recommendation less than 1946 Budget estimates..... | 18, 166, 000 |

The Office of Strategic Services played a large part in the success of our arms in Europe, and its work will continue, though on a greatly lessened scale in other war areas. There also will be need to continue certain operations in Europe until a number of situations have been stabilized.

The original appropriation for 1945 was \$57,000,000, in which was included a confidential fund of \$35,000,000. On recommendation of the President, \$14,000,000 of the appropriation will be rescinded and the confidential fund reduced to \$21,000,000. The reduced amounts were adequate for the peak year of activity and the committee believes that in view of the reduced services to be performed drastic reductions below 1945 expenditures are in order. It therefore recommends an appropriation of \$20,000,000 of which \$10,000,000 will be available for expenditure for confidential purposes. The appropriation of confidential funds of this character is based entirely on confidence in the man charged with the administrative responsibility. In the case of the Office of Strategic Services, Major General Donovan has given the committee every reason to believe that the fund has been properly expended and the committee feels no hesitancy in continuing to make such funds available to him.

The reduction will be applied by the Director in such manner as to comport with the military situation.

PETROLEUM ADMINISTRATION FOR WAR

| | |
|-----------------------------------------------------|---------------|
| 1945 appropriations..... | \$4, 950, 000 |
| 1946 Budget estimate..... | 4, 000, 000 |
| Committee recommendation for 1946..... | 3, 968, 200 |
| Recommendation less than 1945 funds..... | 981, 800 |
| Recommendation less than 1946 Budget estimates..... | 31, 800 |

The Petroleum Administration has accomplished the seemingly impossible in stretching our oil supplies and finding additional new sources of supply to meet the staggering requirements of war, at the same time, meeting minimum civilian needs. They have had much to do as well with the development of oil transportation facilities necessary to augment existing lines. Two new pipe lines, the Big Inch and the Little Big Inch, from the western oil fields to the eastern seaboard have been constructed and the committee is informed that the Big Inch has already brought in revenues approximating its cost of construction. These two lines, if properly utilized, will be of service to the country for many years after the war and their financial success is a source of gratification.

The great distances involved in the war in the Pacific require such large amounts of gasoline and other petroleum products that the work of the Petroleum Administration cannot be expected to reduce until the end of the Japanese war.

The reduction below the Budget is a cut of 10 percent in the amounts proposed for travel and penalty mail.

OFFICE OF WAR MOBILIZATION AND RECONVERSION

| | |
|------------------------------------------------|---------------|
| 1945 appropriations | \$1, 198, 488 |
| 1946 Budget estimate | 3, 996, 500 |
| Committee recommendation for 1946 | 3, 955, 400 |
| Recommendation exceeds 1945 funds | 2, 756, 912 |
| Recommendation less than 1946 Budget estimates | 41, 100 |

The reduction is 10 percent of the amounts proposed for penalty mail and for travel.

This item includes provision for the Office of War Mobilization, \$446,850; the Office of Contract Settlement, \$570,850; the Surplus Property Board, \$2,589,800; and the Retraining and Reemployment Administration, \$347,900. These four offices exist by operation of the acts of Congress entitled "The War Mobilization and Reconversion Act," "The Contract Settlement Act," and "The Surplus Property Act." The Office of War Mobilization and Reconversion has numerous important tasks to perform in connection with the continuation of the war, as well as reconversion to normal peacetime economy. There will be a continuing shift in emphasis from the first to the latter of these two problems as the war progresses.

The Office of Contract Settlement is charged with the responsibility for general policy in termination of war contracts, as well as having appellate jurisdiction to hear and decide appeals of aggrieved war contractors in which cases the determination of the Appeals Board of the Office of Contract Settlement is the final administrative action. If still dissatisfied, a contractor may then appeal to the courts. The committee has inquired rather minutely into the operations of this Office and finds that while considerable progress has been made, it is still confronted with a long and very difficult task. Every attention should be given to settling contracts as rapidly as possible in order to avoid long and expensive litigation and to insure protection of the interests of the United States.

The Surplus Property Board is charged with the responsibility of determining policies to control the disposition of surplus war property and for designating agencies of the Government to handle the disposition of the various categories of property ranging all the way from surgical instruments to large industrial plants. The value of this property has been variously estimated, ranging from \$50,000,000,000 to \$100,000,000,000. Never in the history of the world has such a merchandising problem been presented. The committee was keenly disappointed at its inability to secure firm statistics or definite plans for the handling of this large amount of property. A searching hearing lasting several days and attended by representatives of the Surplus Property Board and those agencies of the Government designated by the Board to handle the larger quantities of material—the Reconstruction Finance Corporation, the Department of Agriculture, the National Housing Agency, the Department of the Interior, and the Maritime Commission—produced little definite factual information.

While the Surplus Property Board has been in existence for only 5 months it has available the records and experience of the former Surplus Property Administration and the Bureau of the Budget, which agencies had been in touch with the matter for a year or two. While the task is admittedly unprecedented, time is of the essence. Eighty percent of the surplus property disposed of after the last war

was sold during the first year. Such as was remaining thereafter was very difficult to move. It is extremely important that the Board and the disposal agencies move as rapidly as possible to adopt policies, formulate plans, and put themselves in position to go on the market with surplus stocks. The job must be done promptly or it will never be done. In the establishment of a new agency to carry out a permanent function of Government, it is important that progress be slow and that plans be well settled and thoroughly thought through before action is taken. In the disposal of war surpluses, the time factors involved are so important as to make it necessary to minimize the time spent in planning and preparation in order to get action.

SURPLUS DISPOSAL AGENCIES

An estimate of \$60,000,000 for allotment by the Surplus Property Board to disposal agencies was submitted and an appropriation of \$40,000,000 is recommended by the committee. The committee was unable to secure definite plans for the expenditure of these funds and was informed that more than likely the total cost would run two or three times as much as the initial estimate. In the absence of definite information on which to base a judgment of the amount which should be appropriated, the committee has made a reduction of one-third and expects the Board to husband the funds carefully until such time as it is possible to present definite organizational plans and programs upon the basis of which the committee can recommend to the House appropriations for the remainder of the fiscal year 1946 in fairly definite terms.

The committee realizes the difficulties under which the Board is now attempting to function and is fully aware of the uncertainty which prevents a projection very far into the future of the total program, but it is believed that pointed attention should be given to evaluating the immediate staffing needs of the various disposal agencies and to the development of data on the quantity and character of property to be handled by such agencies as a basis for budgeting financial requirements.

The Treasury Department Appropriation Act for 1946 carried an appropriation of \$14,999,000 to the Procurement Division of the Treasury Department for disposal of certain types of personal property. The Board has now transferred jurisdiction over these types of property to the Department of Commerce and the appropriation has also been transferred to that Department. At the request of the Board, the committee has included in the bill a provision transferring this appropriation to the control of the Board in order that it may have supervision over all the funds appropriated for surplus property disposal. It is understood that this amount will continue available to the Department of Commerce for expenditure under the supervision of the Board.

SELECTIVE SERVICE SYSTEM

| | |
|-----------------------------------------------------|----------------|
| 1945 appropriations..... | \$62, 500, 000 |
| 1946 Budget estimate..... | 54, 500, 000 |
| Committee recommendation for 1946..... | 52, 000, 000 |
| Recommendation less than 1945 funds..... | 10, 500, 000 |
| Recommendation less than 1946 Budget estimates..... | 2, 500, 000 |

VE-day made no change in the amount of the estimate for Selective Service System inasmuch as the number of men to be inducted during 1946 will be approximately the same. The two largest items of expense are the maintenance of local boards and the travel of inductees to induction centers. The law requires at least one board in each county but in order to handle the number of registrants in the more populous centers it was found necessary to establish many additional boards in some areas. At the present time there is an average of 2.19 paid employees per board for each of 6,443 boards estimated to cost \$23,510,000 in 1946. A year ago, the Selective Service System began a program of consolidation of boards in order to reduce the expense of personnel services. The work load at that time was such as to make extensive consolidations impracticable and the plan was dropped. However, the committee believes the selective-service program is now sufficiently stabilized to permit consolidation of many boards with a resultant saving in personnel. Travel of selectees is estimated to cost \$12,410,000. The cost of travel of selectees is an item which admits of little administrative control. The higher the percentage of men rejected on physical grounds and returned home, the larger the number who must be sent to the induction centers in order to secure the number required by the services. The trend now seems to be toward calling the younger men, among whom the percentage of rejections for physical reasons is the lowest and it is altogether possible there will be some saving in the travel item during the ensuing year.

WAR RELOCATION AUTHORITY

| | |
|-----------------------------------------------------|----------------|
| 1945 appropriations..... | \$37, 500, 000 |
| 1946 Budget estimate..... | 25, 140, 000 |
| Committee recommendation for 1946..... | 25, 000, 000 |
| Recommendation less than 1945 funds..... | 12, 500, 000 |
| Recommendation less than 1946 Budget estimates..... | 140, 000 |

This is the last appropriation which will be required for the War Relocation Authority which is charged with the responsibility for the care of those persons of Japanese origin evacuated from the west coast in the winter of 1942. A considerable number, probably 18,000 out of the total of 117,000 Japanese persons, originally under the jurisdiction of War Relocation Authority, will be detained at Tule Lake center and turned over to Department of Justice authorities. They fall in two categories—those determined by investigation to be undesirable to remain in the United States, and those who have expressed a preference, to be returned to Japan. Of the remaining group, all but 53,000 have already been relocated outside the centers. The 53,000 will be relocated at the rate of six or seven thousand per month and all such persons will have left the centers by the end of the calendar year 1945. At that point, the War Relocation Authority will have no further responsibility for the care and custody of these persons and during the remaining 6 months of the fiscal year will wind up its business affairs and be entirely out of business by June 30, 1946.

The amount of funds required is not reduced in proportion to the reduced period that the centers will have a large population. On that basis, the appropriation would be somewhat less than half the

1945 figure. However, most persons in the centers are entirely without funds and it is necessary, in addition to paying their railroad fare, to furnish them with a small grant for maintenance for a brief period after returning home. These costs are estimated at \$7,232,375. The Tule Lake center must be supported throughout the year and the cost of this center for the full fiscal year, \$6,923,775, is included in the estimate. These two figures total \$14,156,150 leaving \$10,843,850 for all other costs including the maintenance of some 40,000 persons for varying periods ranging from 1 to 6 months and the total administrative cost, which will remain high so long as any considerable number of persons are residing in the centers, as the problems of relocation are at least as difficult as continued operation.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations or legislative provisions, not heretofore carried in connection with any of the agencies in this bill, are recommended:

On page 2, line 9, in connection with appropriations for National War Labor Board:

including travel of new appointees and transportation of their immediate families in accordance with regulations prescribed by the President, and expenses of transportation of household goods and personal effects in accordance with the Act of October 10, 1940 (5 U. S. C. 73c-1), from the places of their actual residence at the time of appointment to places of employment outside continental United States, and for such expenses on return of civilian officers and employees from their posts of duty outside continental United States to the places of their actual residence at time of assignment to duty outside the United States;

On page 2, line 23, in connection with appropriations for National War Labor Board:

** * * payment at the rates not in excess of those fixed by law for witnesses attending in United States courts (28 U. S. C. 600c), of fees, mileage, and subsistence of witnesses appearing at hearings held by the National War Labor Board or its agents in connection with the performance of its functions, which payment of fees, mileage, and subsistence shall be subject to certification by the Chairman of the Board, or his designee, as to the necessity therefor;*

On page 3, line 6, in connection with appropriations for National War Labor Board:

** * * Provided, That those provisions of section 201 of the Independent Offices Appropriation Act, 1946, making appropriations available for travel and subsistence of persons employed or serving intermittently or without other compensation while away from their homes or regular places of business shall apply to public, labor, or industry members of the regional boards, committees, commissions, or panels, or public hearings officers of the National War Labor Board, whether employed intermittently or indefinitely, and the term "consultants" as used in section 201, National War Agencies Appropriation Act, 1945, and title I, under the head "Office for Emergency Management First Deficiency Appropriation Act, 1943," and paragraph (a), general provisions, National War Agencies Appropriation Act, 1944, shall be construed to include such persons. None of the persons receiving compensation on a per diem when-actually-employed basis and employed intermittently or indefinitely shall be entitled to any of the benefits of the Sick Leave Act of March 14, 1936 (49 Stat. 1162), or of the Annual Leave Act of March 14, 1936 (49 Stat. 1161), as amended, or of any other provisions of law pertaining to sick or annual leave.*

On page 4, line 23, in connection with appropriations for Office of Alien Property Custodian:

* * * not to exceed \$70,000 for the temporary employment of persons or organizations by contract or otherwise for special services without regard to the civil service and classification laws; and all other necessary general administrative expenses:

On page 6, line 7, in connection with appropriations for the Office of Defense Transportation:

Provided further, That in operating any commercial railroad or truck line the Office of Defense Transportation shall pay whatever license or inspection fees and highway use compensation taxes such lines would have been obligated to pay had they continued in operation under the control of the owners thereof.

On page 7, line 15, in connection with appropriations for Office of Scientific Research and Development:

* * * reimbursement at not to exceed 3 cents per mile, of employees and others rendering service to the Government, for expenses incurred by them in performance of official travel in privately owned automobiles within the limits of their official stations;

On page 12, line 23, in connection with appropriations for Office of War Information:

* * * reimbursement, at not to exceed 3 cents per mile, of employees or others rendering service to the Office of War Information for use by them of privately owned automobiles for transportation on official business within the limits of their official stations or places of service;

On page 16, line 8, in connection with appropriations for Office of War Information:

This appropriation shall be available when authorized by the Director of the Office of War Information for furnishing of food, prepared or otherwise, and quarters to employees and others engaged in activities of the Office of War Information in the Far East, and for furnishing of quarters which may be required in other areas outside the continental limits of the United States, including the construction of quarters (when not otherwise available) outside the continental limits of the United States without regard to the provisions of section 355, Revised Statutes (40 U. S. C. 255), and other provisions of law affecting the purchase or rental of land and the construction of buildings thereon: Provided, That food and quarters furnished hereunder shall be on a basis of not less than cost, as determined by the Director, payment therefor to be by reduction of living and travel allowances, in accordance with standardized regulations prescribed by the President, or in the case of native employees as part compensation for service rendered, or cash. Not to exceed \$250,000 of the appropriations of the Office of War Information for prior fiscal years shall be construed as having been available for these purposes.

On page 21, line 8, in connection with appropriations for War Shipping Administration:

* * * reimbursement, at not to exceed 3 cents per mile, of employees for expenses incurred by them in official travel in privately owned automobiles within the limits of their official stations;

On page 21, line 24, in connection with appropriations for War Shipping Administration:

* * * reimbursement of employees for loss of personal effects in case of marine or aircraft disaster; not to exceed \$500 for entertainment of officials of other countries when specifically authorized by the Administrator;

On page 29, line 3, in connection with appropriations for Petroleum Administration for War:

* * * not to exceed \$2,000 for the entertainment of officials of other countries;

On page 33, line 3, in connection with appropriations for Selective Service System:

* * * including not to exceed \$5,000 for attendance at meetings of societies or associations for the purpose of obtaining or imparting information concerning functions of the Selective Service System and reimbursement at not to exceed 3 cents per mile of employees or others rendering service to the Government for expenses incurred by them in performance of official travel in privately owned automobiles within the limits of their official stations,

On page 34, line 3, in connection with appropriations for War Relocation Authority:

* * * not to exceed \$20,000 for the employment of persons or organizations, by contract or otherwise, without regard to the civil service and classification laws;
* * * reimbursement, at not to exceed 3 cents per mile, of employees for official travel performed by them in privately owned automobiles within the limits of their official stations;

COMPARATIVE STATEMENT OF THE APPROPRIATIONS FOR 1945, THE ESTIMATES FOR 1946, AND THE AMOUNT
RECOMMENDED IN THE BILL FOR 1946

[Amounts in brackets, [], not included in totals]

| Object | Appropriations for 1945 | Budget estimates for 1946 | Amount recommended in bill, 1946 | Increase (+) or de- crease (-), bill com- pared with 1945 appropriations | Increase (+) or de- crease (-), bill compared with 1946 Budget estimates |
|----------------------------------------------------|----------------------------|------------------------------|-------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| EXECUTIVE OFFICE OF THE PRESIDENT | | | | | |
| Central Administrative Services..... | \$6,225,000 | | | -\$6,225,000 | |
| National War Labor Board..... | 1 14,300,000 | \$13,405,000 | \$13,320,000 | -980,000 | -\$85,000 |
| Alien Property Custodian..... | 2 [4,000,000] | 2 [3,370,000] | 2 [2,500,000] | [-1,500,000] | [-870,000] |
| Office of Civilian Defense..... | 778,875 | (3) | | -778,875 | |
| Office of Defense Transportation..... | 4 14,050,000 | 5 7,700,000 | 7,000,000 | -7,050,000 | -700,000 |
| Office of Economic Stabilization..... | 100,000 | 6 197,000 | 196,250 | +96,250 | -750 |
| Office of Scientific Research and Development..... | 7 102,000,000 | 8 77,500,000 | 70,000,000 | -32,000,000 | -7,500,000 |
| Office of Inter-American Affairs..... | 9 17,693,000 | 10 15,880,000 | 14,000,000 | -3,693,000 | -1,880,000 |
| Office of War Information..... | 11 53,875,367 | 12 42,000,000 | 35,000,000 | -18,875,367 | -7,000,000 |
| War Production Board..... | 13 63,500,000 | 14 39,148,000 | 35,000,000 | -28,500,000 | -4,148,000 |
| Smaller War Plants Corporation..... | 15 [10,000,000] | 15 [8,000,000] | 15 [7,000,000] | [-3,000,000] | [-1,000,000] |
| WAR SHIPPING ADMINISTRATION | | | | | |
| Revolving fund..... | 450,000,000 | 16 407,000,000 | 367,000,000 | -83,000,000 | -40,000,000 |
| Maritime training fund..... | 80,000,000 | 17 78,270,000 | 70,000,000 | -10,000,000 | -8,270,000 |

| | | | | | |
|-----------------------------------------|-----------------|-----------------|---------------|---------------|---------------|
| State marine schools..... | 350, 000 | 325, 000 | 325, 000 | -25, 000 | ----- |
| Total, War Shipping Administration..... | 530, 350, 000 | 485, 595, 000 | 437, 325, 000 | -93, 025, 000 | -48, 270, 000 |
| Office of Censorship..... | 18 24, 593, 000 | 19 14, 350, 000 | 13, 000, 000 | -11, 593, 000 | -1, 350, 000 |
| Office of Strategic Services..... | 20 43, 000, 000 | 38, 166, 000 | 20, 000, 000 | -23, 000, 000 | -18, 166, 000 |
| Petroleum Administration for War..... | 21 4, 950, 000 | 22 4, 000, 000 | 3, 968, 200 | -981, 800 | -31, 800 |

- a Reduced from \$7,783,000 by H. J. Res. 202.
1 Reduced from \$15,000,000 by H. J. Res. 202.
2 Limitation on funds under control of custodian available for administrative expenses.
3 Estimate of \$369,000 withdrawn (H. Doc. 165).
4 Reduced from \$17,000,000 by H. J. Res. 202.
5 Reduced from \$11,000,000 (H. Doc. 165).
6 Supplemental estimate of \$97,000 in H. Doc. 163.
7 Reduced from \$120,000,000 by H. J. Res. 202.
8 Reduced from \$90,700,000 (H. Doc. 162).
9 Reduced from \$18,000,000 by H. J. Res. 202.
10 Excludes \$174,000 transferred to and estimated for under appropriations as follows: "Salaries and expenses, Office of Education," Federal Security Agency, \$163,000; "Traveling expenses, Federal Security Agency," \$11,000.
11 Reduced from \$58,625,367 by H. J. Res. 202.
12 Reduced from \$54,100,000 (H. Doc. 165).
13 Reduced from \$67,500,000 by H. J. Res. 202.
14 Reduced from \$48,042,000 (H. Doc. 165).
15 Limitation on funds of the Corporation available for administrative expenses.
16 Excludes \$372,088 transferred to appropriations as follows: "Maritime training fund, War Shipping Administration," \$155,768; "Construction fund, United States Maritime Commission, act June 29, 1936, revolving fund," \$216,320.
17 Includes \$155,768 transferred from "War Shipping Administration, revolving fund," and excludes \$582,900 transferred to "Hospitals and medical care, Public Health Service."
18 Reduced from \$29,700,000 by H. J. Res. 202.
19 Reduced from \$18,150,000 (H. Doc. 165).
20 Reduced from \$57,000,000 by H. J. Res. 202.
21 Reduced from \$6,000,000 by H. J. Res. 202.
22 Reduced from \$4,345,000 (H. Doc. 165).

Comparative statement of the appropriations for 1945, the estimates for 1946, and the amount recommended in the bill for 1946—Continued

| Object | Appropriations for 1945 | Budget estimates for 1946 | Amount recommended in bill, 1946 | Increase (+) or decrease (-), bill compared with 1945 appropriations | Increase (+) or decrease (-), bill compared with 1946 Budget estimates |
|---------------------------------------------------------|--------------------------|---------------------------|----------------------------------|----------------------------------------------------------------------|------------------------------------------------------------------------|
| INDEPENDENT OFFICES | | | | | |
| OFFICE OF WAR MOBILIZATION AND RECONVERSION | | | | | |
| Office of War Mobilization..... | \$300,000 | | | —\$900,000 | |
| Office of Contract Settlement..... | 289,700 | | | —289,700 | |
| Penalty Mail..... | 8,788 | | | —8,788 | |
| Office of War Mobilization and Reconversion..... | | ²³ \$3,996,500 | \$3,955,400 | +3,955,400 | —\$41,100 |
| Disposal Agencies..... | | 60,000,000 | 40,000,000 | +40,000,000 | —20,000,000 |
| Total, Office of War Mobilization and Reconversion..... | 1,198,488 | 63,996,500 | 43,955,400 | +42,756,912 | —20,041,100 |
| Selective Service System..... | 62,500,000 | 54,500,000 | 52,000,000 | —10,500,000 | —2,500,000 |
| DEPARTMENT OF THE INTERIOR | | | | | |
| War Relocation Authority..... | ²⁴ 37,500,000 | 25,140,000 | 25,000,000 | —12,500,000 | —140,000 |
| Grand total..... | 976,613,730 | 881,577,500 | 769,764,850 | —206,848,880 | —111,812,650 |

²³ Increase of \$1,637,000 in H. Doc. 176.

²⁴ Reduced from \$39,000,000 by H. J. Res. 202.

OSS Page 4

RECOMMENDATION FOR REDUCTIONS IN CERTAIN
WARTIME APPROPRIATIONS

25X1X8



UNITED STATES



A RECOMMENDATION FOR REDUCTIONS IN CERTAIN WARTIME
APPROPRIATIONS

SEPTEMBER 5, 1945.—Referred to the Committee on Appropriations, and ordered
to be printed

THE WHITE HOUSE,
Washington, September 5, 1945.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress (1) proposed rescissions of portions of several war-related appropriations available for the fiscal year 1946, amounting to \$2,755,981,394, (2) proposed rescissions of portions of several contract authorizations available for the fiscal year 1946, amounting to \$794,561,208, (3) proposed reductions in the 1946 limitations on the administrative expenses of several Government corporations and agencies, amounting to \$9,318,307, (4) proposed provisions extending the availability of several "national defense" appropriations to June 30, 1946, (5) a proposed provision returning a portion of funds of certain corporations to the United States Treasury, amounting to \$1,190,500, and (6) a proposed provision authorizing the transfer of appropriated funds for the liquidation expenses of agencies.

In making these recommendations for reductions in wartime appropriations, I am sensitive to the responsibility which lies on Congress and the President to make such reductions in a way that will best serve the national interest. We shall be impelled by a natural desire to reduce war appropriations quickly but in many cases the question of whether reductions should be made or to what extent they should be made will involve decisions on problems of major importance to the future well-being of the Nation which require time for careful consideration and resolution.

With these considerations in mind it seems to me that a sound course is to take action to reduce appropriations only to the extent such reduction can be entirely supported by conditions existing or clearly foreseeable at the time. Where further reductions must be based partially on judgment as to unknown future conditions, I believe it is the sounder course to delay them until their effect can be predicted with more reasonable assurance.

I thus view this proposal as one of many which I shall make under the procedure for orderly reductions in war appropriations which Congress has provided by enacting section 303 of the Second Deficiency Appropriation Act of 1944. In a few days I shall transmit recommendations with respect to appropriations for the War and Navy Departments. I also plan another full review of war and war-related appropriations and a report to Congress on January 3, 1946, containing recommendations for further adjustments. In the meantime, I shall proceed to take administrative action to the full extent of my authority to speed reduction in war and war-related activities.

The details of this proposal are set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., September 5, 1945.

The PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration (1) proposed rescissions of portions of several war and war-related appropriations available for the fiscal year 1946, amounting to \$2,755,981,394, (2) proposed rescissions of portions of several contract authorizations available for the fiscal year 1946, amounting to \$794,561,208, (3) proposed reductions in the 1946 limitations on the administrative expenses of several Government corporations and agencies, amounting to \$9,318,307, (4) proposed provisions extending the availability of several "national defense" appropriations to June 30, 1946, (5) a proposed provision returning a portion of the funds of certain corporations to the United States Treasury, amounting to \$1,190,500, and (6) a proposed provision authorizing the transfer of appropriated funds for the liquidation expenses of agencies, as follows:

REDUCTIONS IN APPROPRIATIONS

Appropriations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act, the balances of said appropriations, unless otherwise specified herein, to remain available until June 30, 1946:

EXECUTIVE OFFICE OF THE PRESIDENT

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| Office for Emergency Management: | |
| Foreign Economic Administration: | |
| Salaries and expenses | \$3, 437, 042 |
| and limitations under this head are hereby decreased as follows: (1) travel within continental United States from "\$234,000" to "\$190,000", (2) reimbursement to employees for emergency or extraordinary expenses from "\$75,000" to "\$50,000", and (3) expenses of a confidential character from "\$1,200,000" to "\$100,000". | |
| Penalty mail costs | 12, 440 |
| Office of Defense Transportation: | |
| Salaries and expenses | 3, 075, 000 |
| and limitations under this head are hereby decreased as follows: (1) traveling expenses from "\$452,500" to "\$150,000", (2) printing and binding from "\$47,500" to "\$14,000" (of which the amount available outside continental United States is decreased from "\$1,800" to "\$500"), and (3) penalty mail costs from "\$118,900" to "\$53,000". | |
| Office of Economic Stabilization: | |
| Salaries and expenses | 16, 780 |
| and limitations under this head are hereby decreased as follows: (1) penalty mail costs from "\$2,250" to "\$1,500", (2) traveling expenses from "\$4,500" to "\$4,000", and (3) printing and binding from "\$2,000" to "\$1,600". | |
| Office of Scientific Research and Development: Salaries and expenses | 54, 000, 000 |
| Office of War Information: | |
| Salaries and expenses | 5, 662, 558 |
| and limitations under this head are hereby decreased as follows: (1) temporary employment in the United States by contract or otherwise without regard to the civil service and classification laws from "\$45,800" to "\$30,000", (2) travel within continental United States from "\$267,500" to "\$240,000", (3) printing and binding within continental United States from "\$1,000,000" to "\$600,000", and (4) to meet emergencies of a confidential character from "\$250,000" to "\$50,000". | |
| War Manpower Commission: | |
| Apprentice training service (national defense) | 131, 500 |
| and the balance to remain available until December 31, 1945. | |
| Training Within Industry Service (national defense) | 125, 000 |
| and the balance to remain available until December 31, 1945. | |
| Migration of workers | 479, 000 |
| War Production Board: | |
| Salaries and expenses | 8, 683, 200 |
| and limitations under this head are hereby decreased as follows: (1) travel expenses from "\$1,944,000" to "\$1,100,000", (2) penalty mail costs from "\$210,000" to "\$137,500", and (3) printing and binding from "\$648,000" to "\$381,200". | |
| War Shipping Administration: | |
| Revolving fund | 138, 700, 000 |
| Maritime training fund | 20, 000, 000 |
| Marine and war risk insurance fund, revolving fund | 81, 000, 000 |
| Office of Censorship: Salaries and expenses | 8, 200, 000 |

EXECUTIVE OFFICE OF THE PRESIDENT—continued

Office for Emergency Management—Continued.

Office of Price Administration:

Salaries and expenses-----

\$21, 935, 000

and limitations under this head are hereby decreased as follows: (1) printing and binding from "\$1,470,000" to "\$961,064", (2) traveling expenses from "\$7,949,700" to "\$7,063,200", and (3) penalty mail costs from "\$5,210,550" to "\$3,385,000".

Office of Strategic Services:

Salaries and expenses-----

9, 500, 000

and limitations under this head are hereby decreased as follows: (1) expenditures without regard to provisions of law and regulations from "\$10,500,000" to "\$3,000,000", and (2) expenditures for objects of a confidential nature from "\$10,000,000" to "\$2,750,000".

Petroleum Administration for War:

Salaries and expenses-----

1, 800, 000

and limitations under this head are hereby decreased as follows: (1) personal services without regard to civil service and classification laws from "\$250,000" to "\$125,000", and (2) travel expenses from "\$263,700" to "\$100,000".

EMERGENCY FUNDS APPROPRIATED TO THE
PRESIDENT

Emergency fund for the President, national defense-----

40, 000, 000

Defense aid—lend-lease:

(1) Ordnance and ordnance stores, supplies, spare parts, and materials-----

57, 990, 000

(2) Aircraft and aeronautical material-----

85, 705, 000

(3) Tanks, armored cars, automobiles, trucks, and other automotive vehicles, spare parts, and accessories-----

24, 461, 000

(4) Vessels, ships, boats, and other watercraft-----

76, 080, 000

(5) Miscellaneous military equipment, supplies, and materials-----

8, 963, 000

(6) Facilities and equipment for the manufacture or production of defense articles, by construction or acquisition-----

17, 937, 000

(7) Agricultural, industrial, and other commodities and articles-----

1, 351, 216, 000

and the \$500,000,000 made available by Title II, of the Second Deficiency Appropriation Act, 1945, as a reserve for expenditure for postwar price support of agriculture shall be paid to the Commodity Credit Corporation and become a part of the capital funds of such Corporation and used in carrying out postwar price support operations with respect to agricultural commodities and products.

(7b) For testing, inspecting, proving, repairing, outfitting, reconditioning or otherwise placing in good working order any defense articles for the government of any country whose defense the President deems vital to the defense of the United States-----

73, 266, 000

(7d) For necessary services and expenses for carrying out the purposes of such Act not specified or included in the foregoing-----

33, 943, 000

INDEPENDENT OFFICES

Employees' Compensation Commission: Employees' compensation fund-----

1, 761, 644

Federal Power Commission: National defense activities-----

2, 628

National Advisory Committee for Aeronautics: Advisory Committee for Aeronautics-----

2, 000, 000

REDUCTIONS IN CERTAIN WARTIME APPROPRIATIONS

5

INDEPENDENT OFFICES—continued

| | |
|-------------------------------------------------------------------------------------------------|---------------|
| Selective Service System: Salaries and expenses----- | \$2, 957, 500 |
| United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund----- | 496, 500, 000 |

FEDERAL SECURITY AGENCY

Public Health Service:

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| Health and sanitation activities, war and defense areas (na- tional defense)----- | 392, 568 |
| Malaria and diseases of tropical origin (national defense)--- | 1, 862, 501 |
| Training for nurses (national defense)----- | 15, 557, 000 |
| and the limitation on the amount which may be expended for administrative expenses is hereby decreased from "\$788,255" to "\$611 322". | |

FEDERAL WORKS AGENCY

| | |
|--------------------------------------------------------------------------------|---------------------|
| Office of the Administrator: War public works (community facil- ities)----- | 19, 115, 000 |
| Public Buildings Administration: | |
| Emergency safeguarding of public buildings and property---- | 750, 000 |
| Construction of temporary office buildings, Washington, D. C.----- | Unobligated balance |
| Public Roads Administration: Flight strips (national defense)--- | 318. 008 |

NATIONAL HOUSING AGENCY

| | |
|-------------------------------------------------------|--------------|
| Office of the Administrator: | |
| War housing----- | 56, 097, 500 |
| War housing in and near the District of Columbia----- | 3, 372, 000 |

DEPARTMENT OF AGRICULTURE

| | |
|---------------------------------------------------------|--------------|
| Emergency Rubber Project----- | 961, 790 |
| War Food Administration: Salaries and expenses----- | 3, 116, 894 |
| Emergency supplies for Territories and possessions----- | 15, 000, 000 |

DEPARTMENT OF COMMERCE

| | |
|--------------------------------------------------------------------------------------------------|-------------|
| Office of the Secretary: Salaries and expenses, National Inventors Council Service Staff----- | 6, 000 |
| Office of Administrator of Civil Aeronautics: Development of landing areas----- | 2, 074, 698 |

DEPARTMENT OF THE INTERIOR

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Office of Fishery Coordination: Salaries and expenses----- | 57, 000 |
| Solid Fuels Administration for War: | |
| Salaries and expenses----- | 275, 000 |
| and on April 1, 1946, the sum of \$150,000 of said appro- priation shall be transferred to the appropriation "Eco- nomics of mineral industries", Bureau of Mines, and the limitation in said latter appropriation for personal serv- ices in the District of Columbia shall be increased from "\$397,500" to "\$529,000". | |
| Bureau of Mines: | |
| Enforcement of Federal Explosives Act----- | 27, 900 |
| Investigation of raw-material resources for steel production (national defense)----- | 180, 000 |
| Construction and equipment of helium plants----- | 260, 000 |
| Manganese beneficiation pilot plants and research (national defense)----- | 50, 000 |
| Production of alumina from low-grade bauxite, aluminum clays and alunite (national defense)----- | 200, 000 |
| Investigation of bauxite and alunite ores and aluminum clay deposits (national defense)----- | 350, 000 |
| Magnesium pilot plants and research (national defense)----- | 150, 000 |
| Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense)--- | 420, 000 |

H. Doc. 280

REDUCTIONS IN CERTAIN WARTIME APPROPRIATIONS

DEPARTMENT OF JUSTICE

| | |
|--------------------------------------------------------------------------------------------------------------|-----------|
| Legal activities and general administration: Salaries and expenses, War Division----- | \$100,000 |
| Federal Bureau of Investigation: Salaries and expenses, detection and prosecution of crimes (emergency)----- | 2,480,000 |

DEPARTMENT OF LABOR

| | |
|--------------------------------------------------------------------------|--------|
| Office of the Secretary: | |
| Salaries and expenses (national defense)----- | 1,388 |
| Salaries and expenses, safety and health program (national defense)----- | 60,000 |

WAR DEPARTMENT

| | |
|----------------------------------------------------------------------|-----------|
| The Panama Canal: Maintenance and operation of the Panama Canal----- | 3,205,855 |
|----------------------------------------------------------------------|-----------|

REDUCTIONS IN CONTRACT AUTHORIZATIONS

Contract authorizations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth:

EXECUTIVE OFFICE OF THE PRESIDENT

| | |
|----------------------------------------------------------------------------|---------------|
| Emergency funds appropriated to the President: Defense aid—lend-lease----- | \$600,000,000 |
|----------------------------------------------------------------------------|---------------|

INDEPENDENT OFFICES

| | |
|----------------------------------------------------------------------------------------------|-------------|
| United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund----- | 190,000,000 |
|----------------------------------------------------------------------------------------------|-------------|

FEDERAL WORKS AGENCY

| | |
|--------------------------------|-----------|
| Public Roads Administration: | |
| Strategic highway network----- | 1,484,363 |
| Access roads----- | 3,076,845 |

REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE EXPENSES

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

EXECUTIVE OFFICE OF THE PRESIDENT

| | |
|----------------------------------------------------------------------|-----------|
| Office for Emergency Management: | |
| Foreign Economic Administration, Rubber Development Corporation----- | \$249,500 |
| War Shipping Administration: | |
| Revolving fund----- | 4,312,000 |
| Maritime training fund----- | 519,357 |

INDEPENDENT OFFICES

| | |
|----------------------------------------------------------------------------------------------------------------------------|-----------|
| Smaller War Plants Corporation: | |
| Administrative expenses----- | 1,550,000 |
| and the limitation under this head on the amount for penalty mail costs is hereby decreased from "\$50,000" to "\$40,000". | |
| United States Maritime Commission: | |
| Construction fund, act June 29, 1936, revolving fund----- | 2,687,450 |

EXTENDING AVAILABILITY OF APPROPRIATIONS

The following appropriations for the fiscal year 1946 are hereby continued available until June 30, 1946, any provision of law or order to the contrary notwithstanding:

Executive Office of the President:
Bureau of the Budget, national defense activities.

Independent offices:

Civil Service Commission, salaries and expenses, national defense.
Federal Communications Commission, salaries and expenses,
national defense.

Federal Security Agency:

Office of the Administrator:

Community War Services.

Temporary aid to enemy aliens and other restricted persons.

Department of the Interior:

Office of the Secretary:

Division of Geography, salaries and expenses.

CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

| | |
|-------------------------------------------------|------------|
| Institute of Inter-American Transportation..... | \$315, 500 |
| Prencinradio, Inc..... | 875, 000 |

PROPOSED PROVISION

In order to accomplish the liquidation of any temporary agency of the Government created to perform functions in connection with the national security and defense, there may be transferred to such liquidating agency as the President may designate, such amount from the funds of the agency to be liquidated as the Bureau of the Budget shall determine is necessary therefor.

These reductions in appropriations, contract authorizations, and limitations and the return of a portion of the funds of certain Government corporations to the United States Treasury reflect the curtailment and elimination of war activities made possible at this time by the surrender of Japan.

Language included in certain "national defense" appropriations limiting their availability is susceptible of varied interpretation. It is essential that many of the functions financed from these appropriations be continued during the remainder of this fiscal year and in other cases it is expected that the work load will remain so heavy that no reduction in the present scope of operations can be made. It appears advisable to assure that these funds will remain available during this entire fiscal year.

The proposed provision authorizing the use of appropriated funds for the liquidation expenses of agencies is intended to make funds appropriated for carrying out the functions of an agency also available for use by a designated liquidating agency.

This proposal is submitted in accordance with section 303 of the Second Deficiency Appropriation Act, 1944 (Public Law 375, 78th Cong.), approved June 28, 1944. The attached statement shows the condition of the balances of each war or war-related appropriation for all departments and agencies except War (Military Establishment) and Navy. The balances of appropriations for War (military) and Navy will be transmitted to you within a few days.

Very respectfully yours,

HAROLD D. SMITH,
Director of the Bureau of the Budget.

REDUCTIONS IN CERTAIN WARTIME APPROPRIATIONS

Appropriations reviewed with regard to possible rescissions

| Agency and appropriation | Appropriation or contract authorization available July 1, 1945 | Deduct expenditures July 1 to Aug. 11, 1945 | Unexpended balance, Aug. 11, 1945 | Deduct estimated outstanding obligations, Aug. 11, 1945 | Unobligated balance, Aug. 11, 1945 | Deduct estimated obligations, Aug. 11, 1945, to end of availability | Estimated unobligated balance at end of availability | Add estimated savings through reimbursements and cancellation of obligations | Add estimated supplemental for Pay Act costs, or other legal commitments | Recommended rescission |
|--------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------|-----------------------------------|---------------------------------------------------------|------------------------------------|---------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------|
| Executive Office of the President: | | | | | | | | | | |
| Bureau of the Budget, national defense activities: | \$445,300 | \$67,754 | \$377,546 | \$8,033 | \$369,513 | \$369,513 | 0 | 0 | 0 | 0 |
| Office for Emergency Management: | | | | | | | | | | |
| Committee on Fair Employment Practice: | 250,000 | 52,389 | 197,611 | 7,574 | 190,037 | 190,037 | 0 | 0 | 0 | 0 |
| Foreign Economic Administration: | | | | | | | | | | |
| Salaries and expenses: | 16,750,000 | 656,234 | 16,093,766 | 1,022,773 | 15,070,993 | 14,052,421 | \$1,018,572 | \$2,418,470 | 0 | \$3,437,042 |
| Postage and mail costs: | 48,420 | 0 | 48,420 | 4,530 | 43,890 | 32,960 | 10,930 | 1,450 | 0 | 12,440 |
| Rubber Development Corporation, administrative expenses: | 1,201,500 | 5,003 | 1,196,497 | 77,650 | 1,118,847 | 869,347 | 249,500 | 0 | 0 | 249,500 |
| U. S. Commercial Company, administrative expenses: | 3,129,600 | 0 | 3,129,600 | 291,083 | 2,838,517 | 2,838,517 | 0 | 0 | 0 | 0 |
| National War Labor Board, salaries and expenses: | 13,320,000 | 1,609,828 | 11,710,172 | 810,129 | 10,900,043 | 10,900,043 | 0 | 0 | 0 | 0 |
| Office of Alien Property Custodian, administrative expenses: | 2,500,000 | 243,224 | 2,256,776 | 213,923 | 2,042,853 | 2,445,837 | -407,984 | 0 | \$407,984 | 0 |
| Office of Defense Transportation, salaries and expenses: | 7,350,000 | 415,739 | 6,934,261 | 583,872 | 6,350,389 | 3,273,339 | 3,075,000 | 0 | 0 | 3,075,000 |
| Office of Economic Stabilization, salaries and expenses: | 198,250 | 12,180 | 186,070 | 1,169 | 184,901 | 166,121 | 16,780 | 0 | 0 | 16,780 |
| Office of Inter-American Affairs: | | | | | | | | | | |
| Salaries and expenses: | 13,000,000 | 4,473,180 | 8,526,820 | 3,063,295 | 5,463,525 | 5,466,525 | 0 | 0 | 0 | 0 |
| Institute of Inter-American Affairs: | 465,567,436 | 40,130,695 | 25,436,741 | 25,414,241 | 22,500 | 22,500 | 0 | 0 | 0 | 0 |
| Institute of Inter-American Transportation: | 47,600,000 | 5,119,187 | 2,490,813 | 1,793,449 | 684,364 | 368,864 | 315,500 | 0 | 0 | 315,500 |
| Inter-American Educational Foundation, Inc.: | 45,508,381 | 709,614 | 4,798,767 | 3,541,013 | 1,257,754 | 1,257,754 | 0 | 0 | 0 | 0 |

| | | | | | | | | | |
|-----------------------------------------------------------------------|---------------|-------------|---------------|---------------|---------------|---------------|---------------|------------|---------------|
| Inter-American Navigation Corporation: | 4,210,901 | 1,766,319 | 344,552 | 118,122 | 228,460 | 0 | 0 | 0 | 875,000 |
| Penciradio, Inc.: | 41,949,688 | 844,349 | 1,105,339 | 23,951 | 1,081,388 | 206,388 | 0 | 0 | 0 |
| Office of Scientific Research and Development, salaries and expenses: | 70,000,000 | 709,648 | 69,290,352 | 2,842,437 | 66,447,915 | 13,028,166 | 53,419,749 | 580,251 | 54,000,000 |
| Office of War Information, salaries and expenses: | 35,000,000 | 737,733 | 34,262,267 | 3,612,541 | 30,649,726 | 25,293,469 | 5,356,257 | 306,301 | 5,662,558 |
| War Manpower Commission: | 11,732,000 | 1,791,358 | 9,940,642 | 392,107 | 9,548,540 | 11,018,435 | -1,469,895 | 0 | 0 |
| General Administration: | 531,000 | 0 | 531,000 | 44,250 | 486,750 | 486,750 | 0 | 0 | 0 |
| Penalty mail costs: | 450,000 | 50,685 | 399,315 | 20,583 | 378,732 | 247,222 | 131,500 | 0 | 131,500 |
| Apprentice training service (national defense): | 54,091,363 | 6,719,079 | 47,375,284 | 742,354 | 46,632,930 | 52,907,781 | -6,274,851 | 0 | 0 |
| Employment office facilities and services: | 600,000 | 136,231 | 463,769 | 62,495 | 411,304 | 286,304 | 125,000 | 0 | 125,000 |
| Training Within Industry Service (national defense): | 800,000 | 7,673 | 792,327 | 2,133 | 790,144 | 311,144 | 479,000 | 0 | 479,000 |
| Migration of workers: | 35,000,000 | 2,119,835 | 32,880,165 | 2,821,839 | 30,058,326 | 21,375,126 | 8,683,200 | 0 | 8,683,200 |
| War Production Board, salaries and expenses: | 2,292,624,660 | 147,387,601 | 2,145,137,059 | 683,325,634 | 1,461,811,425 | 1,323,111,425 | 138,700,000 | 0 | 138,700,000 |
| War Shipping Administration: | 14,082,000 | 0 | 14,082,000 | 988,463 | 13,093,537 | 9,381,537 | 4,312,000 | 0 | 4,312,000 |
| Revolving fund: | 70,601,160 | 190,668 | 70,410,492 | 6,321,566 | 64,088,926 | 44,069,926 | 20,000,000 | 0 | 20,000,000 |
| Revolving fund, administrative expenses: | 3,269,357 | 0 | 3,269,357 | 272,446 | 2,996,911 | 2,477,554 | 519,357 | 0 | 519,357 |
| Marine and war-risk insurance fund, revolving fund: | 332,621,839 | 200,837 | 332,321,022 | 0 | 332,321,022 | 282,844,011 | 69,477,011 | 11,522,989 | 81,000,000 |
| Office of Censorship, salaries and expenses: | 13,000,000 | 1,230,552 | 11,739,448 | 670,320 | 11,069,128 | 2,905,812 | 8,163,316 | 38,684 | 8,200,000 |
| Office of Price Administration, salaries and expenses: | 174,500,000 | 7,094,130 | 167,405,820 | 10,758,281 | 156,707,539 | 135,324,331 | 21,383,208 | 551,792 | 21,935,000 |
| Office of Strategic Services, salaries and expenses: | 20,000,000 | 830,000 | 19,170,000 | 3,210,000 | 15,960,000 | 6,460,000 | 9,500,000 | 0 | 9,500,000 |
| Petroleum Administration for War, salaries and expenses: | 2,968,200 | 436,537 | 3,451,663 | 189,270 | 3,292,463 | 1,492,463 | 1,800,000 | 0 | 1,800,000 |
| Emergency funds appropriated to the President: | 58,935,122 | 0 | 58,935,122 | 4,804,500 | 54,130,622 | 23,130,622 | 31,000,000 | 9,000,000 | 40,000,000 |
| Emergency fund for the President, national defense: | 9,122,828,000 | 399,541,000 | 8,723,287,009 | 5,104,265,000 | 3,619,019,019 | 1,859,488,000 | 1,729,561,000 | 0 | 1,729,561,000 |
| Defense aid—lend-lease: | 600,000,000 | 0 | 600,000,000 | 0 | 600,000,000 | 0 | 600,000,000 | 0 | 600,000,000 |
| Contract authorization: | | | | | | | | | |

See footnotes at end of table, p. 16.

Appropriations reviewed with regard to possible rescissions—Continued

| Agency and appropriation | Appropriation or contract authorization available July 1, 1945 | Deduct expenditures July 1 to Aug. 11, 1945 | Unexpended balance, Aug. 11, 1945 | Deduct estimated outstanding obligations, Aug. 11, 1945 | Unobligated balance, Aug. 11, 1945 | Deduct estimated obligations, Aug. 11, 1945, to end of availability | Estimated unobligated balance at end of availability | Add estimated savings through reimbursements and cancellation of obligations | Add estimated supplemental for Pay Act costs, or other legal commitments | Recommended rescission |
|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------|-----------------------------------|---------------------------------------------------------|------------------------------------|---------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------|
| Independent offices: | | | | | | | | | | |
| American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas | \$40,000 | \$3,868 | \$36,132 | \$1,992 | \$34,140 | \$34,140 | 0 | 0 | 0 | 0 |
| Civil Service Commission, salaries and expenses (national defense) | 6,032,000 | 1,121,134 | 4,910,866 | 15,000 | 4,895,866 | 5,813,024 | -\$922,158 | 0 | \$922,158 | 0 |
| Employees' Compensation Commission: | | | | | | | | | | |
| Salaries and expenses | 1,505,350 | 162,205 | 1,343,145 | 15,988 | 1,327,157 | 1,464,152 | -156,955 | 0 | 156,955 | 0 |
| Employees' compensation fund | 15,447,644 | 1,564,826 | 13,882,818 | 0 | 13,882,818 | 12,121,174 | 1,761,644 | 0 | 0 | \$1,761,644 |
| Wage-accrual fund | 3,000,000 | 1,537 | 2,998,463 | 0 | 2,998,463 | 9,500,000 | -6,501,537 | 0 | 6,501,537 | 0 |
| Federal Communications Commission, salaries and expenses (national defense) | 2,430,000 | 193,463 | 2,236,537 | 183,472 | 2,053,065 | 2,432,717 | -379,652 | 0 | 379,652 | 0 |
| Federal Power Commission, national defense activities | 110,000 | 27,173 | 82,827 | 347 | 82,480 | 79,852 | 2,628 | 0 | 0 | 2,628 |
| Interstate Commerce Commission, salaries and expenses (national defense) | 231,000 | 18,686 | 212,314 | 12,416 | 199,898 | 213,760 | -13,862 | 0 | 13,862 | 0 |
| National Advisory Committee for Aeronautics: | | | | | | | | | | |
| Advisory Committee for Aeronautics: | | | | | | | | | | |
| Printing and binding | 25,999,393 | 957,115 | 25,042,278 | 1,613,296 | 23,429,072 | 21,429,072 | 2,000,000 | 0 | 0 | 2,000,000 |
| Construction and equipment, Langley Field V.A. | 15,000 | 0 | 15,000 | 1,138 | 13,862 | 13,842 | 0 | 0 | 0 | 0 |
| Ames Aeronautical Laboratory | 6,399,821 | 231,903 | 6,067,918 | 2,711,014 | 3,356,904 | 3,356,904 | 0 | 0 | 0 | 0 |
| Aircraft Engine Research Laboratory | 2,510,495 | 316,203 | 2,194,292 | 1,716,317 | 477,975 | 477,975 | 0 | 0 | 0 | 0 |
| National Labor Relations Board: Salaries and expenses (national defense) | 10,372,630 | 50,313 | 10,322,317 | 4,892,338 | 5,429,779 | 5,429,779 | 0 | 0 | 0 | 0 |
| Salaries and expenses, War Labor Disputes Act | 473,000 | 43,688 | 429,312 | 13,236 | 416,016 | 472,085 | -56,079 | 0 | 56,079 | 0 |
| | 192,500 | 16,131 | 176,369 | 21,952 | 154,417 | 181,549 | -27,132 | 0 | 27,132 | 0 |

See footnotes at end of table, p. 16.

Appropriations reviewed with regard to possible rescissions—Continued

| Agency and appropriation | Appropriation or contract authorization available July 1, 1945 | Deduct expenditures July 1 to Aug. 11, 1945 | Unexpended balance, Aug. 11, 1945 | Deduct estimated outstanding obligations, Aug. 11, 1945 | Unobligated balance, Aug. 11, 1945 | Deduct estimated obligations, Aug. 11, 1945, to end of availability | Estimated unobligated balance at end of availability | Add estimated savings through reimbursements and cancellation of obligations | Add estimated supplemental for Pay Act costs, or other legal commitments | Recommended rescission |
|------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------|-----------------------------------|---------------------------------------------------------|------------------------------------|---------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------|
| Independent offices—Continued. | | | | | | | | | | |
| Federal Works Agency—Continued. | | | | | | | | | | |
| Public Buildings Administration: | | | | | | | | | | |
| Emergency safeguarding of public buildings and property: | \$1,328,883 | \$131,86 | \$1,197,021 | \$198,324 | \$998,697 | \$230,763 | \$707,934 | \$42,036 | 0 | \$750,000 |
| Construction of temporary office buildings, Washington, D. C.: | 206,294 | 0 | 206,294 | 52,895 | 153,399 | 0 | 153,399 | 0 | 0 | 153,399 |
| Public Roads Administration: | | | | | | | | | | |
| Flight strips (national defense): | 1,353,353 | 118,761 | 1,234,592 | 916,584 | 318,008 | 0 | 318,008 | 0 | 0 | 318,008 |
| Strategic highway network, contract authorization: | 26,084,494 | 320,226 | 26,364,268 | 22,445,024 | 3,919,244 | 2,434,881 | 1,484,363 | 0 | 0 | 1,484,363 |
| Access roads, contract authorization: | 56,043,214 | 2,037,750 | 54,005,434 | 51,377,639 | 2,627,795 | 467,380 | 2,160,415 | 916,430 | 0 | 3,076,845 |
| Surveys and plans (national defense): | 9,222,547 | 137,516 | 9,085,031 | 6,990,402 | 2,094,629 | 2,094,629 | 0 | 0 | 0 | 0 |
| National Housing Agency: | | | | | | | | | | |
| Office of the Administrator: | | | | | | | | | | |
| Salaries and expenses: | (2,281,578) | (158,426) | (2,133,152) | (67,625) | (2,065,527) | (2,065,527) | 0 | 0 | 0 | 0 |
| War housing: | 155,019,095 | 33,890,095 | 121,129,000 | 51,840,119 | 69,279,881 | 15,286,432 | 53,993,449 | 2,114,051 | 0 | 56,097,500 |
| War housing in and near the District of Columbia: | | | | | | | | | | |
| National defense housing, temporary housing: | 4,000,019 | 108,132 | 3,891,887 | 310,914 | 3,580,973 | 208,973 | 3,372,000 | 0 | 0 | 3,372,000 |
| Bureau of Agriculture: | | | | | | | | | | |
| Salaries and expenses (crop and livestock estimates): | 1,832,166 | 361,103 | 1,471,063 | 1,128,191 | 342,872 | 342,872 | 0 | 0 | 0 | 0 |
| Office of Foreign Agricultural Relations, salaries and expenses: | 1,520,000 | 70,000 | 1,450,000 | 90,076 | 1,359,924 | 1,609,704 | -249,780 | 0 | \$249,780 | 0 |
| | 500,000 | 20,857 | 479,143 | 28,102 | 451,041 | 541,189 | -90,148 | 0 | 90,148 | 0 |

[illegible]

See footnotes at end of table, p. 16.

Appropriations reviewed with regard to possible rescissions—Continued

| Agency and appropriation | Appropriation or contract authorization available July 1, 1945 | Deduct expenditures July 1 to Aug. 11, 1945 | Unexpended balance, Aug. 11, 1945 | Deduct estimated outstanding obligations, Aug. 11, 1945 | Unobligated balance, Aug. 11, 1945 | Deduct estimated obligations end of availability | Estimated unobligated balance at end of availability | Add estimated savings through reimbursements and cancellation of obligations | Add estimated supplemental for Pay Act costs, or other commitments | Recommended rescission |
|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------|-----------------------------------|---------------------------------------------------------|------------------------------------|--------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------|------------------------|
| Department of the Interior—Con. Geological Survey, strategic and critical minerals (national defense) | \$325,000 | \$71,322 | \$233,678 | \$25,603 | \$264,070 | \$269,570 | -\$5,500 | \$5,500 | 0 | 0 |
| Bureau of Mines: Enforcement of Federal Explosives Act | 100,000 | 17,589 | 82,411 | 19,980 | 62,431 | 34,531 | 27,900 | 0 | 0 | \$27,900 |
| Investigation of raw material resources for steel production (national defense) | 1,250,000 | 60,887 | 1,189,113 | 120,877 | 1,068,236 | 888,236 | 180,000 | 0 | 0 | 180,000 |
| Construction and equipment of helium plants | 1,150,616 | 1,148 | 1,149,468 | 149,160 | 1,000,308 | 740,308 | 260,000 | 0 | 0 | 260,000 |
| Manganese beneficiation pilot plants and research (national defense) | 450,000 | 14,344 | 435,656 | 56,448 | 379,208 | 329,208 | 50,000 | 0 | 0 | 50,000 |
| Production of alumina from low-grade bauxite, alumina clays and aluminite (national defense) | 650,000 | 33,405 | 616,595 | 64,721 | 551,874 | 351,874 | 200,000 | 0 | 0 | 200,000 |
| Investigation of bauxite and alumina ores and aluminum clay deposits (national defense) | 500,000 | 15,015 | 484,985 | 64,606 | 420,379 | 70,289 | 350,000 | 0 | 0 | 350,000 |
| Research (national defense) | 400,000 | 12,874 | 387,126 | 51,125 | 336,001 | 186,001 | 150,000 | 0 | 0 | 150,000 |
| Reduction of zinc consumption with methane gas (national defense) | 77,507 | 769 | 76,738 | 13,488 | 63,250 | 63,270 | 0 | 0 | 0 | 0 |
| Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense) | 2,100,000 | 97,684 | 2,002,316 | 205,895 | 1,796,421 | 1,376,421 | 420,000 | 0 | 0 | 420,000 |
| Drainage tunnel, Leadville, Colo. (national defense) | 209,989 | 33,414 | 176,575 | 165,287 | 11,288 | 11,288 | 0 | 0 | 0 | 0 |

See footnotes at end of table, p. 16.

Appropriations reviewed with regard to possible rescissions—Continued

| Agency and appropriation | Appropriation or contract authority available July 1, 1945 | Deduct expenditures July 1 to Aug. 11, 1945 | Unexpended balance, Aug. 11, 1945 | Deduct estimated outstanding obligations, Aug. 11, 1945 | Unobligated balance, Aug. 11, 1945 | Deduct estimated mat'd obligations, Aug. 11, 1945 to end of availability | Estimated unobligated balance at end of availability | Add estimated savings through reimbursements and cancellation of obligations | Add estimated supplemental for Pay Act costs, or other legal commitments | Recommended rescission |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------|-----------------------------------|---------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------|
| Department of State—Continued. | | | | | | | | | | |
| International obligations: | | | | | | | | | | |
| United States contributions to international commissions, congresses, and bureaus (Emergency Advisory Committee for Political Defense) ¹ | \$85,623 | \$1,500 | \$85,123 | \$50,560 | \$44,563 | \$44,563 | 0 | 0 | 0 | 0 |
| Intergovernmental Committee on Refugees ² | 4,500,000 | 0 | 4,500,000 | 4,500,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| United Nations Commission for the Investigation of War Crimes ³ | 60,000 | 14,235 | 45,765 | 21,390 | 24,375 | 24,375 | 0 | 0 | 0 | 0 |
| Treasury Department: | | | | | | | | | | |
| Foreign funds control, salaries and expenses ⁴ | 2,000,000 | 69,000 | 1,931,000 | 148,000 | 1,783,000 | 1,976,996 | -\$193,996 | 0 | \$193,996 | 0 |
| Fiscal Service, Bureau of the Public Debt, administering the public debt ⁵ | 84,250,000 | 23,392,901 | 60,857,099 | 11,397,828 | 49,459,271 | 49,559,271 | -\$100,000 | \$100,000 | 0 | 0 |
| War—civil functions: | | | | | | | | | | |
| The Panama Canal, maintenance and operation of the Panama Canal ⁶ | 24,850,839 | 1,632,250 | 23,217,589 | 68,750 | 23,188,839 | 20,352,984 | 2,805,855 | 400,000 | 0 | \$3,205,855 |

¹ Columns 2 to 6 (inclusive) as of Aug. 25, 1945.² Columns 2 to 6 (inclusive) as of July 31, 1945.³ Columns 2 to 6 (inclusive) as of Aug. 15, 1945.⁴ Cumulative from creation of corporation.⁵ Columns 2 to 6 (inclusive) as of Aug. 1, 1945.⁶ Columns 2 to 6 (inclusive) as of Aug. 21, 1945.⁷ Columns 2 to 6 (inclusive) as of Aug. 31, 1945.⁸ Columns 2 to 6 (inclusive) as of June 30, 1945.⁹ Unobligated balance, estimated in the amount shown, proposed for rescission.

79TH CONGRESS }
1st Session }

SENATE

DOCUMENT
No. 87

PROPOSED RESCISSIONS, REDUCTIONS, AND TRANSFERS
OF SEVERAL WAR-RELATED APPROPRIATIONS FOR 1946

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

RECOMMENDATIONS FOR CERTAIN RESCISSIONS, REDUCTIONS,
AND TRANSFERS OF SEVERAL WAR-RELATED APPROPRIATIONS
FOR THE FISCAL YEAR OF 1946

SEPTEMBER 6, 1945.—Read; referred to the Committee on Appropriations and
ordered to be printed

THE WHITE HOUSE,
Washington, September 6, 1945.

The PRESIDENT OF THE SENATE pro tempore.

SIR: I have the honor to transmit herewith for the consideration of Congress (1) proposed rescissions of portions of several war-related appropriations available for the fiscal year 1946, amounting to \$2,755,981,394, (2) proposed rescissions of portions of several contract authorizations available for the fiscal year 1946, amounting to \$794,561,208, (3) proposed reductions in the 1946 limitations on the administrative expenses of several Government corporations and agencies, amounting to \$9,318,307, (4) proposed provisions extending the availability of several "national defense" appropriations to June 30, 1946, (5) a proposed provision returning a portion of funds of certain corporations to the United States Treasury, amounting to \$1,190,500, and (6) a proposed provision authorizing the transfer of appropriated funds for the liquidation expenses of agencies.

In making these recommendations for reductions in wartime appropriations, I am sensitive to the responsibility which lies on Congress and the President to make such reductions in a way that

2 PROPOSED REDUCTIONS OF WAR RELATED APPROPRIATIONS

will best serve the national interest. We shall be impelled by a natural desire to reduce war appropriations quickly but in many cases the question of whether reductions should be made or to what extent they should be made will involve decisions on problems of major importance to the future well-being of the Nation which require time for careful consideration and resolution.

With these considerations in mind it seems to me that a sound course is to take action to reduce appropriations only to the extent such reduction can be entirely supported by conditions existing or clearly foreseeable at the time. Where further reductions must be based partially on judgment as to unknown future conditions, I believe it is the sounder course to delay them until their effect can be predicted with more reasonable assurance.

I thus view this proposal as one of many which I shall make under the procedure for orderly reductions in war appropriations which Congress has provided by enacting section 303 of the Second Deficiency Appropriation Act of 1944. In a few days I shall transmit recommendations with respect to appropriations for the War and Navy Departments. I also plan another full review of war and war-related appropriations and a report to Congress on January 3, 1946, containing recommendations for further adjustments. In the meantime, I shall proceed to take administrative action to the full extent of my authority to speed reduction in war and war-related activities.

The details of this proposal are set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, 25, D. C., September 5, 1945.

The PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration (1) proposed rescissions of portions of several war and war-related appropriations available for the fiscal year 1946, amounting to \$2,755,981,394, (2) proposed rescissions of portions of several contract authorizations available for the fiscal year 1946, amounting to \$794,561,208, (3) proposed reductions in the 1946 limitations on the administrative expenses of several Government corporations and agencies, amounting to \$9,318,307, (4) proposed provisions extending the availability of several "national defense" appropriations to June 30, 1946, (5) a proposed provision returning a portion of the funds of certain corporations to the U. S. Treasury, amounting to \$1,190,500, and (6) a proposed provision authorizing the transfer of appropriated funds for the liquidation expenses of agencies, as follows:

REDUCTIONS IN APPROPRIATIONS

Appropriations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this S. Doc. 87

PROPOSED REDUCTIONS OF WAR RELATED APPROPRIATIONS 3

Act, the balances of said appropriations, unless otherwise specified herein, to remain available until June 30, 1946:

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Foreign Economic Administration:

Salaries and expenses \$3, 437, 042

and limitations under this head are hereby decreased as follows: (1) travel within continental United States from "\$234,000" to "\$190,000", (2) reimbursement to employees for emergency or extraordinary expenses from "\$75,000" to "\$50,000", and (3) expenses of a confidential character from "\$1,200,000" to "\$100,000".

Penalty mail costs 12, 440

Office of Defense Transportation:

Salaries and expenses 3, 075, 000

and limitations under this head are hereby decreased as follows: (1) traveling expenses from "\$452,500" to "\$150,000", (2) printing and binding from "\$47,500" to "\$14,000" (of which the amount available outside continental United States is decreased from "\$1,800" to "\$500"), and (3) penalty mail costs from "\$118,900" to "\$53,000".

Office of Economic Stabilization:

Salaries and expenses 16, 780

and limitations under this head are hereby decreased as follows: (1) penalty mail costs from "\$2,250" to "\$1,500", (2) traveling expenses from "\$4,500" to "\$4,000", and (3) printing and binding from "\$2,000" to "\$1,600".

Office of Scientific Research and Development:

Salaries and expenses 54, 000, 000

Office of War Information:

Salaries and expenses 5, 662, 558

and limitations under this head are hereby decreased as follows: (1) temporary employment in the United States by contract or otherwise without regard to the civil service and classification laws from "\$45,800" to "\$30,000", (2) travel within continental United States from "\$267,500" to "\$240,000", (3) printing and binding within continental United States from "\$1,000,000" to "\$600,000", and (4) to meet emergencies of a confidential character from "\$250,000" to "\$50,000".

War Manpower Commission:

Apprentice training service (national defense) 131, 500

and the balance to remain available until December 31, 1945.

Training Within Industry Service (national defense) 125, 000

and the balance to remain available until December 31, 1945.

Migration of workers 479, 000

War Production Board:

Salaries and expenses 8, 683, 200

and limitations under this head are hereby decreased as follows: (1) travel expenses from "\$1,944,000" to "\$1,100,000", (2) penalty mail costs from "\$210,000" to "\$137,500", and (3) printing and binding from "\$648,000" to "\$381,200".

War Shipping Administration:

Revolving fund 138, 700, 000

Maritime training fund 20, 000, 000

Marine and war risk insurance fund, revolving fund 81, 000, 000

4 PROPOSED REDUCTIONS OF WAR RELATED APPROPRIATIONS**Office for Emergency Management—Continued****Office of Censorship:**

Salaries and expenses----- \$8, 200, 000

Office of Price Administration:

Salaries and expenses----- 21, 935, 000

and limitations under this head are hereby decreased as follows: (1) printing and binding from "\$1,470,000" to "\$961,064", (2) traveling expenses from "\$7,949,700" to "\$7,063,200", and (3) penalty mail costs from "\$5,210,550" to "\$3,385,000".

Office of Strategic Services:

Salaries and expenses----- 9, 500, 000

and limitations under this head are hereby decreased as follows: (1) expenditures without regard to provisions of law and regulations from "\$10,500,000" to "\$3,000,000", and (2) expenditures for objects of a confidential nature from "\$10,000,000" to "\$2,750,000".

Petroleum Administration for War:

Salaries and expenses----- 1, 800, 000

and limitations under this head are hereby decreased as follows: (1) personal services without regard to civil service and classification laws from "\$250,000" to "\$125,000", and (2) travel expenses from "\$263,700" to "\$100,000".

EMERGENCY FUNDS APPROPRIATED TO THE PRESIDENT

Emergency fund for the President, national defense----- 40, 000, 000

Defense aid—lend-lease:

(1) Ordnance and ordnance stores, supplies, spare parts, and materials----- 57, 990, 000

(2) Aircraft and aeronautical material----- 85, 705, 000

(3) Tanks, armored cars, automobiles, trucks, and other automotive vehicles, spare parts, and accessories----- 24, 461, 000

(4) Vessels, ships, boats, and other watercraft----- 76, 080, 000

(5) Miscellaneous military equipment, supplies, and materials----- 8, 963, 000

(6) Facilities and equipment for the manufacture or production of defense articles, by construction or acquisition----- 17, 937, 000

(7) Agricultural, industrial, and other commodities and articles----- 1, 351, 216, 000

and the \$500,000,000 made available by Title II, of the Second Deficiency Appropriation Act, 1945, as a reserve for expenditure for postwar price support of agriculture shall be paid to the Commodity Credit Corporation and become a part of the capital funds of such corporation and used in carrying out postwar price support operations with respect to agricultural commodities and products.

(7b) For testing, inspecting, proving, repairing, outfitting, reconditioning or otherwise placing in good working order any defense articles for the government of any country whose defense the President deems vital to the defense of the United States----- 73, 266, 000

(7d) For necessary services and expenses for carrying out the purposes of such Act not specified or included in the foregoing----- 33, 943, 000

INDEPENDENT OFFICES

Employees' Compensation Commission, employees' compensation fund----- 1, 761, 644

Federal Power Commission, national defense activities----- 2, 628

National Advisory Committee for Aeronautics, Advisory Committee for Aeronautics----- 2, 000, 000

Selective Service System, salaries and expenses----- 2, 957, 500

United States Maritime Commission, construction fund, act June 29, 1936, revolving fund----- 496, 500, 000

PROPOSED REDUCTIONS OF WAR RELATED APPROPRIATIONS 5

FEDERAL SECURITY AGENCY

Public Health Service:

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------|--------------|
| Health and sanitation activities, war and defense areas (national defense)----- | \$392, 568 |
| Malaria and diseases of tropical origin (national defense)--- | 1, 862, 501 |
| Training for nurses (national defense)----- | 15, 557, 000 |
| and the limitation on the amount which may be expended for administrative expenses is hereby decreased from "\$788,255" to "\$611,322". | |

FEDERAL WORKS AGENCY

| | |
|---------------------------------------------------------------------------|---------------------|
| Office of the Administrator, war public works (community facilities)----- | 19, 115, 000 |
| Public Buildings Administration: | |
| Emergency safeguarding of public buildings and property--- | 750, 000 |
| Construction of temporary office buildings, Washington, D. C.----- | Unobligated balance |
| Public Roads Administration, flight strips (national defense)--- | 318, 008 |

NATIONAL HOUSING AGENCY

| | |
|-------------------------------------------------------|--------------|
| Office of the Administrator: | |
| War housing----- | 56, 097, 500 |
| War housing in and near the District of Columbia----- | 3, 372, 000 |

DEPARTMENT OF AGRICULTURE

| | |
|---------------------------------------------------------|--------------|
| Emergency Rubber Project----- | 961, 790 |
| War Food Administration, salaries and expenses----- | 3, 116, 894 |
| Emergency supplies for Territories and possessions----- | 15, 000, 000 |

DEPARTMENT OF COMMERCE

| | |
|-----------------------------------------------------------------------------------------------|-------------|
| Office of the Secretary, salaries and expenses, National Inventors Council Service Staff----- | 6, 000 |
| Office of Administrator of Civil Aeronautics, development of landing areas----- | 2, 074, 698 |

DEPARTMENT OF THE INTERIOR

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Office of Fishery Coordination, salaries and expenses----- | 57, 000 |
| Solid Fuels Administration for War: | |
| Salaries and expenses----- | 275, 000 |
| and on April 1, 1946, the sum of \$150,000 of said appropriation shall be transferred to the appropriation "Economics of mineral industries", Bureau of Mines, and the limitation in said latter appropriation for personal services in the District of Columbia shall be increased from "\$397,500" to "\$529,000". | |
| Bureau of Mines: | |
| Enforcement of Federal Explosives Act----- | 27, 900 |
| Investigation of raw-material resources for steel production (national defense)----- | 180, 000 |
| Construction and equipment of helium plants----- | 260, 000 |
| Manganese beneficiation pilot plants and research (national defense)----- | 50, 000 |
| Production of alumina from low-grade bauxite, aluminum clays and alunite (national defense)----- | 200, 000 |
| Investigation of bauxite and alunite ores and aluminum clay deposits (national defense)----- | 350, 000 |
| Magnesium pilot plants and research (national defense)--- | 150, 000 |
| Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense)--- | 420, 000 |

6 PROPOSED REDUCTIONS OF WAR RELATED APPROPRIATIONS

DEPARTMENT OF JUSTICE

| | |
|------------------------------------------------------------------------------------------------------------------|-------------|
| Legal activities and general administration, salaries and expenses, War Division----- | \$100, 000 |
| Federal Bureau of Investigation, salaries and expenses, detection, and prosecution of crimes (emergency)----- | 2, 480, 000 |

DEPARTMENT OF LABOR

| | |
|-----------------------------------------------------------------------------|---------|
| Office of the Secretary: Salaries and expenses (national defense)----- | 1, 388 |
| Salaries and expenses, safety and health program (national defense)----- | 60, 000 |

WAR DEPARTMENT

| | |
|-------------------------------------------------------------------------|-------------|
| The Panama Canal, maintenance and operation of the Panama Canal----- | 3, 205, 855 |
|-------------------------------------------------------------------------|-------------|

REDUCTIONS IN CONTRACT AUTHORIZATIONS

Contract authorizations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth:

EXECUTIVE OFFICE OF THE PRESIDENT

| | |
|--------------------------------------------------------------------------------|-----------------|
| Emergency funds appropriated to the President, defense aid—lend- lease----- | \$600, 000, 000 |
|--------------------------------------------------------------------------------|-----------------|

INDEPENDENT OFFICES

| | |
|-------------------------------------------------------------------------------------------------|---------------|
| United States Maritime Commission, construction fund, act June 29, 1936, revolving fund----- | 190, 000, 000 |
|-------------------------------------------------------------------------------------------------|---------------|

FEDERAL WORKS AGENCY

| | |
|----------------------------------------------------------------|-------------|
| Public Roads Administration: Strategic highway network----- | 1, 484, 363 |
| Access roads----- | 3, 076, 845 |

REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE EXPENSES

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

EXECUTIVE OFFICE OF THE PRESIDENT

| | |
|-------------------------------------------------------------------------------------------------------------|-------------|
| Office for Emergency Management: Foreign Economic Administration: Rubber Development Corporation----- | \$249, 500 |
| War Shipping Administration: Revolving fund----- | 4, 312, 000 |
| Maritime training fund----- | 519, 357 |

INDEPENDENT OFFICES

| | |
|-------------------------------------------------------------------------------------------------------------------------------|-------------|
| Smaller War Plants Corporation: Administrative expenses----- | 1, 550, 000 |
| and the limitation under this head on the amount for penalty mail costs is hereby decreased from "\$50,000" to "\$40,000". | |
| United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund----- | 2, 687, 450 |

EXTENDING AVAILABILITY OF APPROPRIATIONS

The following appropriations for the fiscal year 1946 are hereby continued available until June 30, 1946, any provision of law or order to the contrary notwithstanding:

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EXECUTIVE OFFICE OF THE PRESIDENT

Bureau of the Budget, national defense activities.

INDEPENDENT OFFICES

Civil Service Commission, salaries and expenses, national defense.

Federal Communications Commission, salaries and expenses, national defense.

FEDERAL SECURITY AGENCY

Office of the Administrator:

Community War Services.

Temporary aid to enemy aliens and other restricted persons.

DEPARTMENT OF THE INTERIOR

Office of the Secretary, Division of Geography, salaries and expenses.

CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

| | |
|-------------------------------------------------|-----------|
| Institute of Inter-American Transportation..... | \$315,500 |
| Prencinradio, Inc..... | 875,000 |

PROPOSED PROVISION

In order to accomplish the liquidation of any temporary agency of the Government created to perform functions in connection with the national security and defense, there may be transferred to such liquidating agency as the President may designate, such amount from the funds of the agency to be liquidated as the Bureau of the Budget shall determine is necessary therefor.

These reductions in appropriations, contract authorizations, and limitations and the return of a portion of the funds of certain Government corporations to the United States Treasury reflect the curtailment and elimination of war activities made possible at this time by the surrender of Japan.

Language included in certain "national defense" appropriations limiting their availability is susceptible of varied interpretation. It is essential that many of the functions financed from these appropriations be continued during the remainder of this fiscal year and in other cases it is expected that the workload will remain so heavy that no reduction in the present scope of operations can be made. It appears advisable to assure that these funds will remain available during this entire fiscal year.

The proposed provision authorizing the use of appropriated funds for the liquidation expenses of agencies is intended to make funds appropriated for carrying out the functions of an agency also available for use by a designated liquidating agency.

This proposal is submitted in accordance with section 303 of the Second Deficiency Appropriation Act, 1944 (Public Law 375, 78th Cong.), approved June 28, 1944. The attached statement shows the condition of the balances of each war or war-related appropriation for all departments and agencies except War (Military Establishment) and Navy. The balances of appropriations for War (military) and Navy will be transmitted to you within a few days.

Very respectfully yours,

HAROLD D. SMITH,
Director of the Bureau of the Budget.

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Appropriations reviewed with regard to possible rescissions

| Agency and appropriation | Appropriation or contract authorization available July 1, 1945 | Deduct expenditures July 1 to Aug. 11, 1945 | Unexpended balance, Aug. 11, 1945 | Deduct estimated outstanding obligations, Aug. 11, 1945 | Unobligated balance, Aug. 11, 1945 | Deduct estimated obligations, Aug. 11, 1945 to end of availability | Estimated unobligated balance at end of availability | Add estimated savings through reimbursements and cancellation of obligations | Add estimated supplemental for Pay Act costs, or other legal commitments | Recommendation rescission |
|--------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------|-----------------------------------|---------------------------------------------------------|------------------------------------|--------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------|
| Executive Office of the President: | | | | | | | | | | |
| Bureau of the Budget, national defense activities ¹ | \$445,300 | \$67,754 | \$377,546 | \$8,033 | \$369,513 | \$369,513 | 0 | 0 | 0 | 0 |
| Office for Emergency Management: Committee on Fair Employment Practice | 250,000 | 52,389 | 197,611 | 7,574 | 190,037 | 190,037 | 0 | 0 | 0 | 0 |
| Foreign Economic Administration: | | | | | | | | | | |
| Salaries and expenses ¹ | 16,750,000 | 655,224 | 16,095,766 | 1,022,773 | 15,070,993 | 14,652,421 | \$1,018,572 | \$2,418,470 | 0 | \$3,437,042 |
| Penalty mail costs ² | 48,420 | 0 | 48,420 | 4,500 | 43,920 | 32,960 | 10,960 | 1,450 | 0 | 12,440 |
| Rubber Development Corporation, administrative expenses | 1,201,500 | 5,003 | 1,196,497 | 77,650 | 1,118,847 | 889,347 | 249,500 | 0 | 0 | 249,500 |
| U. S. Commercial Company ² administrative expenses | 3,129,600 | 0 | 3,129,600 | 291,083 | 2,838,507 | 2,838,507 | 0 | 0 | 0 | 0 |
| National War Labor Board, salaries and expenses | 13,320,000 | 1,608,828 | 11,710,172 | 810,129 | 10,900,043 | 10,900,043 | 0 | 0 | 0 | 0 |
| Office of Alien Property Custodian, administrative expenses ³ | 2,500,000 | 246,224 | 2,253,776 | 215,923 | 2,037,853 | 2,445,837 | -407,984 | 0 | \$407,984 | 0 |
| Office of Defense Transportation, salaries and expenses ¹ | 7,350,000 | 415,739 | 6,934,261 | 555,872 | 6,348,389 | 3,273,389 | 3,075,000 | 0 | 0 | 3,075,000 |
| Office of Economic Stabilization, salaries and expenses | 196,250 | 12,180 | 184,070 | 1,169 | 182,901 | 166,121 | 16,780 | 0 | 0 | 16,780 |
| Office of Inter-American Affairs: Salaries and expenses | 13,000,000 | 4,473,180 | 8,526,820 | 3,060,295 | 5,466,525 | 5,466,525 | 0 | 0 | 0 | 0 |
| Institute of Inter-American Affairs ² | 465,567,436 | 40,130,665 | 25,436,741 | 25,414,241 | 22,500 | 22,500 | 0 | 0 | 0 | 0 |
| Institute of Inter-American Transportation ² | 47,600,000 | 5,119,187 | 2,480,813 | 1,796,449 | 684,364 | 368,864 | 315,500 | 0 | 0 | 315,500 |
| Inter-American Educational Foundation, Inc. ² | 45,508,381 | 709,614 | 4,798,767 | 3,641,013 | 1,257,754 | 1,257,754 | 0 | 0 | 0 | 0 |
| Inter-American Navigation Corporation, Inc. ² | 42,110,901 | 1,766,319 | 344,882 | 118,122 | 226,460 | 226,460 | 0 | 0 | 0 | 0 |
| Pencinradio, Inc. ² | 41,949,688 | 844,349 | 1,105,839 | 23,951 | 1,081,388 | 206,388 | 875,000 | 0 | 0 | 875,000 |
| Office of Scientific Research and Development, salaries and expenses | 70,000,000 | 709,645 | 69,290,352 | 2,842,437 | 66,447,915 | 13,028,186 | 53,419,749 | 580,251 | 0 | 54,000,000 |

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Approved For Release 1999/09/21 : CIA-RDP80-01240A000400090001-9

Approved For Release 1999/09/21 : CIA-RDP80-01240A000400090001-9

Appropriations reviewed with regard to possible rescissions—Continued

| Agency and appropriation | Appropriation or contract authorization available July 1, 1945 | Deduct expenditures July 1 to Aug. 11, 1945 | Unexpended balance, Aug. 11, 1945 | Deduct estimated outstanding obligations, Aug. 11, 1945 | Unobligated balance, Aug. 11, 1945 | Deduct estimated obligations to end of availability | Estimated unobligated balance at end of availability | Add estimated savings through reimbursements and cancellation of obligations | Add estimated supplemental for Pay Act cases, or other legal commitments | Recommended rescission |
|------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------|-----------------------------------|---------------------------------------------------------|------------------------------------|-----------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------|
| Independent offices—Continued | | | | | | | | | | |
| Federal Communications Commission, salaries and expenses (national defense) | \$2,430,000 | \$183,463 | \$2,246,537 | \$183,472 | \$2,053,065 | \$2,432,717 | -\$379,652 | 0 | \$379,652 | 0 |
| Federal Power Commission, national defense activities | 110,000 | 27,173 | 82,827 | 347 | 82,480 | 78,852 | 2,628 | 0 | 0 | \$2,628 |
| Interstate Commerce Commission, salaries and expenses (national defense) | 221,000 | 18,686 | 212,314 | 12,416 | 199,898 | 213,760 | -13,862 | 0 | 13,862 | 0 |
| National Advisory Committee for Aeronautics: | | | | | | | | | | |
| Advisory Committee for Aeronautics ¹ | 25,999,383 | 957,115 | 25,042,278 | 1,613,206 | 23,429,072 | 21,429,072 | 2,000,000 | 0 | 0 | 2,000,000 |
| Printing and binding ² | 15,000 | 0 | 15,000 | 1,158 | 13,842 | 13,842 | 0 | 0 | 0 | 0 |
| Construction and equipment, Langley Field, Va. ³ | 6,399,821 | 331,903 | 6,067,918 | 2,711,014 | 3,356,904 | 3,356,904 | 0 | 0 | 0 | 0 |
| Ames Aeronautical Laboratory ² | 2,510,495 | 316,203 | 2,194,292 | 1,716,317 | 477,975 | 477,975 | 0 | 0 | 0 | 0 |
| Aircraft Engine Research Laboratory ² | 10,372,690 | 50,313 | 10,322,377 | 4,892,538 | 5,429,779 | 5,429,779 | 0 | 0 | 0 | 0 |
| National Labor Relations Board: | | | | | | | | | | |
| Salaries and expenses (national defense) | 473,000 | 43,688 | 429,312 | 13,296 | 416,016 | 472,085 | -56,079 | 0 | 56,079 | 0 |
| Salaries and expenses, War Labor Disputes Act | 192,500 | 16,181 | 176,369 | 21,652 | 154,717 | 181,549 | -27,132 | 0 | 27,132 | 0 |
| National Mediation Board, arbitration, emergency, and emergency panel boards | 100,000 | 20,323 | 79,677 | 23,677 | 51,000 | 51,000 | 0 | 0 | 0 | 0 |
| Office of War Mobilization and Reconversion: | | | | | | | | | | |
| Salaries and expenses | 3,955,400 | 176,080 | 3,779,320 | 40,080 | 3,739,240 | 3,739,240 | 0 | 0 | 0 | 0 |
| Salaries and expenses, disposal agencies | 54,999,000 | 6,132,700 | 48,866,300 | 26,051,995 | 22,814,305 | 22,814,305 | 0 | 0 | 0 | 0 |
| Selective Service System, salaries and expenses | 52,000,000 | 5,700,000 | 46,300,000 | 1,600,000 | 44,700,000 | 41,742,500 | 2,957,500 | 0 | 0 | 2,957,500 |
| Smaller War Plants Corporation, administrative expenses | 8,000,000 | 676,994 | 7,323,006 | 592,676 | 6,740,330 | 6,517,614 | *222,716 | \$1,837,284 | 0 | 1,550,000 |

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Footnotes at end of table.

12 PROPOSED REDUCTIONS OF WAR RELATED APPROPRIATIONS

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Appropriations reviewed with regard to possible rescissions—Continued

| Agency and appropriation | Appropriation or contract authorization available July 1, 1945 | Deduct expenditures July 1 to Aug. 11, 1945 | Unexpended balance, Aug. 11, 1945 | Deduct estimated outstanding obligations, Aug. 11, 1945 | Unobligated balance, Aug. 11, 1945 | Deduct estimated obligations, Aug. 11, 1945 to end of availability | Estimated unobligated balance at end of availability | Add estimated savings through reimbursements and cancellation of obligations | Add estimated supplemental for Pay Act costs, or other legal commitments | Recommended rescission |
|-------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------|-----------------------------------|---------------------------------------------------------|------------------------------------|--------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------|
| National Housing Agency—Continued | | | | | | | | | | |
| Office of the Administrator—Continued | | | | | | | | | | |
| War housing in and near the District of Columbia ² | \$4,000,019 | \$108,132 | \$3,891,887 | \$310,914 | \$3,580,973 | \$208,973 | \$3,372,000 | 0 | 0 | \$3,372,000 |
| National defense housing, temporary housing ² | 1,832,166 | 361,103 | 1,471,063 | 1,128,191 | 342,872 | 342,872 | 0 | 0 | 0 | 0 |
| Department of Agriculture: | | | | | | | | | | |
| Bureau of Agricultural Economics, salaries and expenses (crop and livestock estimates) ² | 1,520,000 | 70,000 | 1,450,000 | 90,076 | 1,359,924 | 1,009,704 | -249,780 | 0 | \$249,780 | 0 |
| Office of Foreign Agricultural Relations, salaries and expenses ² | 500,000 | 20,857 | 479,143 | 28,102 | 451,041 | 541,189 | -90,148 | 0 | 90,148 | 0 |
| Agricultural Research Administration: | | | | | | | | | | |
| Bureau of Animal Industry, salaries and expenses (meat inspection) ² | 7,772,570 | 325,937 | 7,446,633 | 566,998 | 6,879,635 | 9,964,580 | -3,084,945 | \$1,472,400 | 1,612,545 | 0 |
| Bureau of Plant Industry, Soils, and Agricultural Engineering, salaries and expenses (fruit, vegetable, and specialty crops) ² | 1,572,000 | 72,800 | 1,499,200 | 158,400 | 1,340,800 | 1,566,430 | -225,630 | 0 | 225,630 | 0 |
| Bureau of Entomology and Plant Quarantine, salaries and expenses (foreign plant quarantine) ² | 1,027,000 | 39,741 | 987,259 | 71,383 | 915,866 | 1,096,266 | -180,400 | 0 | 180,400 | 0 |
| Forest Service: | | | | | | | | | | |
| Salaries and expenses (national forest protection and management) ² | 16,649,100 | 416,171 | 16,232,929 | 1,784,946 | 14,447,983 | 19,840,938 | -5,392,955 | 2,700,000 | 2,632,955 | 0 |
| Forest fire cooperation ² | 7,300,000 | 13,823 | 7,286,177 | 4,090,143 | 2,296,034 | 2,333,370 | -37,336 | 0 | 37,336 | 0 |
| Emergency rubber project ² | 5,778,790 | 143,789 | 5,635,001 | 283,332 | 5,351,669 | 4,387,839 | 961,790 | 0 | 0 | 961,790 |
| War Food Administration, salaries and expenses ² | 14,986,472 | 807,597 | 14,178,875 | 639,757 | 13,539,118 | 10,422,224 | 3,116,894 | 0 | 0 | 3,116,894 |
| Supply and distribution of farm labor ² | 30,470,720 | 14,361,441 | 16,109,279 | 11,753,345 | 4,355,934 | 7,115,802 | -2,759,868 | 2,466,003 | 283,865 | 0 |
| Emergency supplies for Territories and possessions ² | 33,753,688 | 4,019,782 | 29,733,906 | 1,121,884 | 28,612,022 | 56,611,972 | -28,000,000 | 43,000,000 | 0 | 15,000,000 |

[illegible]

Footnotes at end of table.

14 PROPOSED REDUCTIONS OF WAR RELATED APPROPRIATIONS

Appropriations reviewed with regard to possible rescissions—Continued

| Agency and appropriation | Appropriation of contract authorizations available July 1, 1945 | Deduct expenditures July 1 to Aug. 11, 1945 | Unexpended balance, Aug. 11, 1945 | Deduct estimated outstanding obligations, Aug. 11, 1945 | Unobligated balance, Aug. 11, 1945 | Deduct estimated obligations, Aug. 11, 1945 to end of availability | Estimated unobligated balance at end of availability | Add estimated savings through reimbursements and cancellation of obligations | Add estimated supplemental for Pay Act costs, or other legal commitments | Recommendation rescission |
|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------------|-----------------------------------|---------------------------------------------------------|------------------------------------|--------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------|
| Department of the Interior—Continued | | | | | | | | | | |
| Bureau of Mines—Continued | | | | | | | | | | |
| Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense) | \$2,100,000 | \$97,684 | \$2,002,316 | \$205,895 | \$1,796,421 | \$1,376,421 | \$420,000 | 0 | 0 | \$420,000 |
| Drainage tunnel, Leadville, Colo. (national defense) | 209,989 | 33,414 | 176,575 | 165,287 | 11,288 | 11,288 | 0 | 0 | 0 | 0 |
| Department of Justice— | | | | | | | | | | |
| Legal activities and general administration: | | | | | | | | | | |
| Salaries, Office of Assistant to the Attorney General | 125,000 | 11,150 | 113,850 | 5,323 | 108,527 | 119,432 | -10,905 | 0 | \$10,905 | 0 |
| Salaries, Criminal Division | 900,000 | 76,581 | 823,419 | 41,024 | 782,395 | 802,130 | -19,735 | 0 | 19,735 | 0 |
| Salaries and expenses, Lands Division | 3,400,000 | 270,295 | 3,129,705 | 139,257 | 2,990,448 | 2,990,448 | 0 | 0 | 0 | 0 |
| Salaries and expenses, War Division | 390,000 | 38,463 | 351,537 | 20,770 | 330,767 | 310,767 | 20,000 | \$30,000 | 0 | 100,000 |
| Federal Bureau of Investigation, salaries and expenses, detection and prosecution of crimes (emergency) | 27,829,000 | 3,123,951 | 24,699,049 | 3,434,224 | 21,264,825 | 18,754,825 | 2,480,000 | 0 | 0 | 2,480,000 |
| Immigration and Naturalization Service, salaries and expenses | 21,300,000 | 1,670,502 | 19,629,498 | 1,411,157 | 18,218,341 | 22,434,550 | -4,216,209 | 629,735 | 3,586,534 | 0 |
| Department of Labor: | | | | | | | | | | |
| Office of the Secretary: | | | | | | | | | | |
| Salaries and expenses (national defense) | 63,000 | 12,566 | 50,434 | 0 | 50,434 | 49,046 | 1,388 | 0 | 0 | 1,388 |
| Salaries and expenses, safety and health program (national defense) | 149,215 | 18,553 | 130,662 | 4,391 | 126,071 | 66,071 | 60,000 | 0 | 0 | 60,000 |
| Commissioners of Conciliation (national defense) | 1,786,200 | 171,588 | 1,614,612 | 53,000 | 1,561,612 | 1,790,237 | -228,625 | 0 | 228,625 | 0 |
| Bureau of Labor Statistics: Salaries and expenses (national defense) | 2,356,876 | 251,424 | 2,105,452 | 179,873 | 1,925,569 | 2,323,069 | -397,500 | 0 | 397,500 | 0 |

PROPOSED REDUCTIONS OF WAR RELATED APPROPRIATIONS 15

| | | | | | | | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|------------|------------|------------|------------|---------|-----------|-----------|
| Children's Bureau: Salaries and expenses, emergency maternity and infant care (national defense) | 38,000 | 4,809 | 33,191 | 277 | 32,914 | 38,914 | -6,000 | 0 | 6,000 | 0 |
| Grants to States for emergency maternity and infant care (national defense) | 44,189,500 | 3,737,575 | 40,401,925 | 0 | 40,401,925 | 40,401,925 | 0 | 0 | 0 | 0 |
| Department of State: Office of the Secretary of State: Salaries ¹ | 9,900,000 | 890,117 | 9,009,883 | 87,646 | 8,922,237 | 10,589,688 | -1,667,451 | 0 | 1,667,451 | 0 |
| President's War Relief Control Board ² | 45,500 | 4,109 | 41,391 | 0 | 41,391 | 41,391 | 0 | 0 | 0 | 0 |
| Foreign service: Emergency service, auxiliary (emergency) ³ | 6,200,000 | 639,832 | 5,560,168 | 257,579 | 5,282,739 | 5,757,391 | -474,652 | 0 | 474,652 | 0 |
| Emergencies arising in the Diplomatic and Consular Service ⁴ | 16,250,000 | 250,306 | 15,999,694 | 500,620 | 15,499,074 | 15,499,074 | 0 | 0 | 0 | 0 |
| International obligations: United States contributions to international commissions, congresses, and bureaus (Emergency Advisory Committee for Political Defense) ⁵ | 96,623 | 1,500 | 95,123 | 50,560 | 44,563 | 44,563 | 0 | 0 | 0 | 0 |
| Intergovernmental Committee on Refugees ⁶ | 4,500,000 | 0 | 4,500,000 | 4,500,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| United Nations Commission for the Investigation of War Crimes ⁷ | 60,000 | 14,235 | 45,765 | 21,390 | 24,375 | 24,375 | 0 | 0 | 0 | 0 |
| Treasury Department: Foreign funds control, salaries and expenses ⁸ | 2,000,000 | 69,000 | 1,931,000 | 148,000 | 1,783,000 | 1,976,986 | -193,986 | 0 | 193,986 | 0 |
| Fiscal Service: Bureau of the Public Debt, administering the public debt ⁹ | 84,250,000 | 23,392,901 | 60,857,099 | 11,397,828 | 49,459,271 | 49,559,271 | -100,000 | 100,000 | 0 | 0 |
| War—civil functions: The Panama Canal, maintenance and operation of the Panama Canal ¹⁰ | 24,839,830 | 1,632,250 | 23,227,580 | 68,750 | 23,158,830 | 20,352,984 | 2,805,855 | 400,000 | 0 | 3,205,855 |

¹ Columns 2 to 6 (inclusive) as of Aug. 25, 1945.
² Columns 2 to 6 (inclusive) as of July 31, 1945.
³ Columns 2 to 6 (inclusive) as of Aug. 15, 1945.
⁴ Cumulative from creation of corporation.
⁵ Columns 2 to 6 (inclusive) as of Aug. 1, 1945.
⁶ Columns 2 to 6 (inclusive) as of Aug. 21, 1945.
⁷ Columns 2 to 6 (inclusive) as of Aug. 31, 1945.
⁸ Columns 2 to 6 (inclusive) as of June 30, 1945.
⁹ Unobligated balance, estimated in the amount shown, proposed for rescission.

Calendar No. 930

79TH CONGRESS
2^D SESSION

H. R. 5158

[Report No. 919]

IN THE SENATE OF THE UNITED STATES

JANUARY 31 (legislative day, JANUARY 18), 1946

Read twice and referred to the Committee on Appropriations

FEBRUARY 4 (legislative day, JANUARY 18), 1946

Reported by Mr. McKELLAR, with an amendment.

[Omit the part struck through and insert the part printed in italic]

AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the appropriations and contractual authorizations of
- 4 the departments and agencies available in the fiscal year
- 5 1946, and prior year unreverted appropriations, are hereby
- 6 reduced in the sums hereinafter set forth, such sums to be
- 7 carried to the surplus fund and covered into the Treasury
- 8 immediately upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-
2 DENT, INDEPENDENT OFFICES, AND EXECU-
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 Foreign Economic Administration:

7 Salaries and expenses, \$3,884,400, and limitations
8 under this head are hereby decreased as follows: (1)
9 Travel within continental United States from "\$234,-
10 000" to "\$180,000", (2) reimbursement to employees
11 for emergency or extraordinary expenses from "\$75,-
12 000" to "\$47,500", and (3) expenses of a confi-
13 dential character from "\$1,200,000" to "\$100,000".

14 Penalty mail costs, \$12,440.

15 National War Labor Board:

16 Salaries and expenses, \$1,566,500.

17 Office of Defense Transportation:

18 Salaries and expenses, \$3,075,000, and limitations
19 under this head are hereby decreased as follows: (1)
20 Traveling expenses from "\$452,500" to "\$150,000",
21 (2) printing and binding from "\$47,500" to "\$14,000"
22 (of which the amount available outside continental
23 United States is decreased from "\$1,800" to "\$500"),
24 and (3) penalty mail costs from "\$118,900" to
25 "\$53,000".

1 Office of Economic Stabilization:

2 Salaries and expenses, \$53,780, and limitations
3 under this head are hereby decreased as follows: (1)
4 Penalty mail costs from "\$2,250" to "\$1,500", (2)
5 traveling expenses from "\$4,500" to "\$4,000", and (3)
6 printing and binding from "\$2,000" to "\$1,600".

7 Office of Inter-American Affairs:

8 Salaries and expenses, \$1,500,000.

9 Office of Scientific Research and Development:

10 Salaries and expenses, \$56,101,792.

11 Office of War Information:

12 Salaries and expenses, \$6,912,558, and limitations
13 under this head are hereby decreased as follows:
14 (1) Temporary employment in the United States by
15 contract or otherwise without regard to the civil-service
16 and classification laws from "\$45,800" to "\$28,750",
17 (2) travel within continental United States from
18 "\$267,500" to "\$237,500", (3) printing and binding
19 within continental United States from "\$1,000,000" to
20 "\$587,500", and (4) to meet emergencies of a confi-
21 dential character from "\$250,000" to "\$47,500".

22 War Manpower Commission:

23 General administration, \$71,194.

24 Apprentice training service (national defense),

25X1X8

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1 Defense aid—lend-lease:

2 (1) Ordnance and ordnance stores, supplies, spare
3 parts, and materials, \$57,990,000.

4 (2) Aircraft and aeronautical material, \$85,705,000.

5 (3) Tanks, armored cars, automobiles, trucks, and other
6 automotive vehicles, spare parts, and accessories, \$24,-
7 461,000.

8 (4) Vessels, ships, boats, and other watercraft,
9 \$76,080,000.

10 (5) Miscellaneous military equipment, supplies and ma-
11 terials, \$8,963,000.

12 (6) Facilities and equipment for the manufacture or
13 production of defense articles, by construction or acquisition,
14 \$17,937,000.

15 (7) Agricultural, industrial, and other commodities and
16 articles, \$1,351,216,000, and the \$500,000,000 made avail-
17 able by title II of the Second Deficiency Appropriation Act,
18 1945, as a reserve for expenditure for postwar price support
19 of agriculture shall be paid to the Commodity Credit Corpo-
20 ration and continued as a reserve fund for expenditure, as
21 and when necessary, for the postwar price support of
22 agriculture.

23 (7b) For testing, inspecting, proving, repairing, out-
24 fitting, reconditioning, or otherwise placing in good working

1 order any defense articles for the government of any country
2 whose defense the President deems vital to the defense of
3 the United States, \$73,266,000.

4 (7d) For necessary services and expenses for carrying
5 out the purposes of such Act not specified or included in
6 the foregoing, \$43,943,000.

7 In all, emergency funds appropriated to the President,
8 \$1,784,561,000.

9 INDEPENDENT OFFICES

10 Civil Service Commission: Salaries and expenses, Civil
11 Service Commission (national defense), \$2,032,000.

12 Employees' Compensation Commission: Employees'
13 compensation fund, \$1,761,644.

14 Federal Communications Commission: Salaries and ex-
15 penses, Federal Communications Commission (national
16 defense), \$465,000.

17 Federal Power Commission: National defense activities,
18 \$17,628.

19 National Advisory Committee for Aeronautics: Advisory
20 Committee for Aeronautics, \$2,000,000.

21 Selective Service System: Salaries and expenses, \$2,-
22 957,500.

23 United States Maritime Commission: Construction fund.
24 Act June 29, 1936, revolving fund, \$496,500,000.

25X1X8

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1 Reserves: From the reserve account established by the
2 National Housing Administrator in the Treasury pursuant
3 to section 303 of Public Law 849, Seventy-sixth Congress,
4 approved October 14, 1940, as amended, \$50,000,000.

5 Section 303 of the Act of October 14, 1940, as amended
6 (42 U. S. C. 1521), is hereby amended by inserting "(a)"
7 after the figures "303", and adding the following new sub-
8 sections:

9 "(b) Moneys derived by the National Housing Admin-
10 istrator from the disposition of property, or from the removal
11 of temporary housing, acquired or constructed under the
12 provisions of this Act, of Public Laws Numbered 9, 73,
13 and 353, Seventy-seventh Congress, and of section 201 of
14 the Second Supplemental National Defense Appropriation
15 Act, 1941, as amended, shall be available for expenses of
16 disposition and removal, including the establishment of nec-
17 essary reserves therefor and administrative expenses in con-
18 nection therewith: *Provided*, That moneys derived by said
19 Administrator from the disposition of any such property or
20 the removal of any such temporary housing may be deposited
21 in a common fund account or accounts in the Treasury:
22 *And provided further*, That except for necessary reserves
23 authorized by this Act or by section 201 of the Second Sup-
24 plemental National Defense Appropriation Act, 1941, as

1 amended, the unobligated balances of the moneys deposited
2 into the Treasury from the disposition of any such property
3 or the removal of any such temporary housing shall be
4 covered at the end of each fiscal year into miscellaneous
5 receipts.

6 “(c) Moneys in the reserve account established by
7 the National Housing Administrator pursuant to subsections
8 (a) and (b) of this section 303 shall not exceed \$25,000,000
9 at any time: *Provided*, That all moneys in said account
10 shall be covered into miscellaneous receipts not later than
11 two years after the President shall have declared that the
12 emergency declared by him on September 8, 1939, has
13 ceased to exist.”

14 In all, independent offices, \$666,040,849.

15 EXECUTIVE DEPARTMENTS

16 [Non-War]

17 DEPARTMENT OF AGRICULTURE

18 Emergency rubber project, \$1,649,790, and the balance
19 remaining shall be used to liquidate such project, including
20 the elimination of the remaining plantations, the rehabili-
21 tation and return of leased lands to the owners and the dis-
22 posal of other property according to law, and for the
23 continuation of the production, breeding, and disease phases
24 of guayule research on indicator plots and experimental

1 areas until June 30, 1946: *Provided*, That any balances
2 remaining shall be available until December 31, 1946, for
3 completing the liquidation of the emergency rubber project.

4 War Food Administration: Salaries and expenses, \$3,-
5 116,894.

6 Emergency supplies for Territories and possessions,
7 \$25,000,000.

8 The following appropriations shall be so administered
9 as to avoid the incurrence of deficiencies therein except for
10 such added expense occasioned by the Federal Employees
11 Pay Act of 1945 as it may not be practicable to absorb,
12 namely: .

13 Bureau of Agricultural Economics, salaries and expenses
14 (crop and livestock estimates) .

15 Office of Foreign Agricultural Relations, salaries and
16 expenses.

17 Agricultural Research Administration:

18 Bureau of Animal Industry, salaries and expenses
19 (meat inspection) ;

20 Bureau of Plant Industry, Soils, and Agricultural
21 Engineering, salaries and expenses (fruit, vegetable, and
22 specialty crops) ;

23 Bureau of Entomology and Plant Quarantine,
24 salaries and expenses (foreign plant quarantine) .

1 Forest Service:

2 Salaries and expenses (national forest protec-
3 tion and management) ;

4 Forest-fire cooperation.

5 DEPARTMENT OF COMMERCE

6 Office of the Secretary: Salaries and expenses, National
7 Inventors Council Service Staff, \$11,000.

8 Office of Administrator of Civil Aeronautics: Develop-
9 ment of landing areas, \$5,000,000.

10 The following appropriations shall be so administered as
11 to avoid the incurrence of deficiencies therein except for such
12 added expense occasioned by the Federal Employees Pay
13 Act of 1945 as it may not be practicable to absorb, namely:

14 Coast and Geodetic Survey, salaries and expenses,
15 departmental;

16 Patent Office, salaries;

17 Weather Bureau, salaries and expenses.

18 DEPARTMENT OF THE INTERIOR

19 Office of the Secretary: Salaries and expenses, Division
20 of Geography, \$13,000.

21 War Relocation Authority: Salaries and expenses, War
22 Relocation Authority, Department of the Interior, \$2,500,-
23 000.

24 Office of Fishery Coordination: Salaries and expenses,
25 \$57,000.

1 Solid Fuels Administration for War:

2 Salaries and expenses, \$275,000, and on April 1,
3 1946, the sum of \$150,000 of said appropriation shall be
4 transferred to the appropriation "Economics of mineral
5 industries", Bureau of Mines, and the limitation in said
6 latter appropriation for personal services in the District
7 of Columbia shall be increased from "\$397,500" to
8 "\$529,000".

9 Bureau of Mines

10 Enforcement of Federal Explosives Act, \$27,900.

11 Investigation of raw-material resources for steel produc-
12 tion (national defense), \$180,000.

13 Construction and equipment of helium plants, \$260,000.

14 Manganese beneficiation pilot plants and research (na-
15 tional defense), \$50,000.

16 Production of alumina from low-grade bauxite, alumi-
17 num clays and alunite (national defense), \$200,000.

18 Investigation of bauxite and alunite ores and aluminum
19 clay deposits (national defense), \$350,000.

20 Magnesium pilot plants and research (national defense),
21 \$150,000.

22 Investigation of deposits of critical and essential minerals
23 in the United States and its possessions (national defense),
24 \$420,000.

25X1X8

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15

1 In all, executive departments, \$54,107,572.

2 In all, title I, \$2,945,503,585.

3 Miscellaneous Provisions, Title I

4 REDUCTIONS IN CONTRACT AUTHORIZATIONS

5 Contract authorizations of the departments and agencies
6 available in the fiscal year 1946 are hereby reduced in the
7 sums hereinafter set forth:

8 EXECUTIVE OFFICE OF THE PRESIDENT

9 Emergency funds appropriated to the President: De-
10 fense aid—lend-lease, \$600,000,000.

11 INDEPENDENT OFFICES

12 United States Maritime Commission: Construction fund,
13 Act June 29, 1936, revolving fund, \$325,900,000.

14 FEDERAL WORKS AGENCY

15 Public Roads Administration:

16 Strategic highway network, \$1,484,363.

17 Access roads, \$2,576,845.

18 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE

19 EXPENSES

20 Limitations on amounts from funds of corporations and
21 other agencies for administrative expenses are hereby reduced
22 in the following sums:

23 EXECUTIVE OFFICE OF THE PRESIDENT

24 Office for Emergency Management: Foreign Eco-

1 nomic Administration, Rubber Development Corporation,
2 \$249,500.

3 War Shipping Administration:

4 Revolving fund, \$4,312,000.

5 Maritime training fund, \$519,357.

6 INDEPENDENT OFFICES

7 Smaller War Plants Corporation:

8 Administrative expenses, \$1,550,000, and the limi-
9 tation under this head on the amount of penalty-mail
10 costs is hereby decreased from "\$50,000" to "\$40,000".

11 United States Maritime Commission:

12 Construction fund, Act June 29, 1936, revolving
13 fund, \$2,687,450.

14 EXTENDING AVAILABILITY OF APPROPRIATIONS

15 The following appropriations for the fiscal year 1946 are
16 hereby continued available until June 30, 1946, except as
17 modified in this title.

18 Executive Office of the President:

19 Bureau of the Budget, national defense activities.

20 Independent Offices:

21 Civil Service Commission, salaries and expenses
22 (national defense).

23 Federal Communications Commission, salaries
24 and expenses (national defense).

1 Federal Power Commission: National defense
2 activities.

3 Federal Security Agency:

4 Office of the Administrator:

5 Salaries and expenses, Office of Community
6 War Services;

7 Expenses, temporary aid to enemy aliens and
8 other restricted persons.

9 Department of the Interior:

10 Office of the Secretary:

11 Salaries and expenses, Division of Geography,

12 Department of the Interior.

13 CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

14 EXECUTIVE OFFICE OF THE PRESIDENT

15 Office for Emergency Management:

16 Office of Inter-American Affairs: The Director of
17 the Office of Inter-American Affairs is hereby directed
18 to deposit in the Treasury of the United States as miscel-
19 laneous receipts the following sums representing excess
20 funds of corporations created by the Coordinator of
21 Inter-American Affairs under authority of law:

22 Institute of Inter-American Transportation,
23 \$315,500.

24 Prencinradio, Incorporated, \$875,000.

H. R. 5158—3

1 GENERAL PROVISIONS

2 In order to accomplish the liquidation of any tem-
3 porary agency of the Government created to perform func-
4 tions in connection with the national security and defense,
5 there may be transferred to such liquidating agency as the
6 President may designate such amount from the funds of the
7 agency to be liquidated as the Bureau of the Budget shall
8 determine is necessary therefor.

9 TITLE II—MILITARY ESTABLISHMENT

10 Office of Secretary of War:

11 Contingencies of the Army, 1942-1946, \$12,829,-
12 151.

13 Expediting Production of Equipment and Supplies
14 for National Defense, 1940-1946, \$282,892,000.

15 General Staff Corps:

16 Contingent Fund, Chief of Staff, 1942-1946, \$124,-
17 335,489.

18 Special Field Exercises, Army, 1942-1946, \$51,-
19 246,874.

20 Finance Department:

21 Finance Service, Army, 1942-1946, \$207,000, and
22 subappropriations under this head are hereby decreased
23 as follows: (1) Expenses of courts martial, \$36,000;
24 and (2) Apprehension of deserters, \$171,000.

1 Quartermaster Corps:

2 . Quartermaster Service, Army, 1942-1946, \$3,919,-
3 838,479, and subappropriations under this head are
4 hereby decreased as follows: (1) Welfare of enlisted
5 men, \$5,000,000; (2) subsistence of the Army,
6 \$1,762,081,479; (3) regular supplies of the Army,
7 \$541,018,000; (4) clothing and equipage, \$1,563,-
8 225,000; (5) horses, draft and pack animals,
9 \$1,514,000; and (6) Army transportation, \$47,-
10 000,000.

11 Transportation Corps:

12 Transportation Service, Army, 1945-1946, \$704,-
13 268,000.

14 Signal Corps:

15 Signal Service of the Army, 1942-1946, \$1,675,-
16 684,000.

17 Air Corps:

18 Air Corps, Army, 1942-1946, \$11,799,313,000:
19 *Provided*, That before any permanent fields are deter-
20 mined upon or permanent buildings erected thereon the
21 Air Corps shall submit to Congress a list of such fields
22 and the justification therefor.

1 Medical Department:

2 Medical and Hospital Department, Army, 1942-
3 1946, \$267,539,000.

4 Corps of Engineers:

5 Engineer Service, Army, 1942-1946, \$2,306,-
6 763,000, and subappropriations under this head are
7 hereby decreased as follows: (1) Engineer Service,
8 \$2,011,648,000; (2) Military posts, \$148,255,000;
9 and (3) Barracks and quarters, Army, \$146,860,000.

10 Ordnance Department:

11 Ordnance Service and Supplies, Army, 1942-1946,
12 \$8,100,000,000.

13 Chemical Warfare Service:

14 Chemical Warfare Service, Army, 1942-1946,
15 \$997,870,000.

16 Special Service Schools:

17 Special Service Schools, Army, 1942-1946, \$178,-
18 000, and subappropriations under this head are hereby
19 decreased as follows: (1) Infantry School, \$81,000;
20 (2) Cavalry activities, \$22,700; and (3) Field Ar-
21 tillery activities, \$74,300.

22 Seacoast defenses:

23 Seacoast defenses, general, 1942-1946, \$1,664,000.

24 United States Military Academy: Pay of Military
25 Academy, 1942-1946, \$21,000.

1 Inter-American Relations, War Department: Inter-
2 American Relations, War Department, 1943-1946, \$75,000.

3 Office of the Secretary:

4 Contingent expenses, War Department, 1942-1946,
5 \$1,200,000.

6 Printing and binding, War Department, 1942-1946,
7 \$18,000,000.

8 TRANSFER OF APPROPRIATIONS

9 In addition to the transfers authorized by section 3 of
10 the Military Appropriation Act, 1946, transfers of not to
11 exceed the amounts hereinafter set forth may be made, with
12 the approval of the Bureau of the Budget, from the appro-
13 priation "Ordnance Service and Supplies, Army", to the
14 following appropriations:

15 Army War College, \$23,819;

16 Command and General Staff School, Fort Leavenworth,
17 Kansas, \$30,189;

18 Quartermaster Service, Army, \$7,881,967;

19 Rock Island Bridge, Rock Island, Illinois, \$5,719;

20 Instruction in armored force activities, \$389,756;

21 Maintenance and Operation, United States Military
22 Academy, \$1,323,884;

23 Army of the Philippines, \$200,000,000: *Provided,*
24 That service in the organized military forces of the Govern-
25 ment of the Commonwealth of the Philippines, while such

1 forces were in the service of the armed forces of the United
2 States pursuant to the military order of the President of the
3 United States dated July 26, 1941, shall not be deemed to
4 be or to have been service in the military or naval forces of
5 the United States or any component thereof for the purposes
6 of any law of the United States conferring rights, privileges,
7 or benefits upon any person by reason of the service of such
8 person or the service of any other person in the military or
9 naval forces of the United States or any component thereof,
10 except benefits under (1) the National Service Life Insur-
11 ance Act of 1940, as amended, under contracts heretofore
12 entered into, and (2) laws administered by the Veterans'
13 Administration providing for the payment of pensions on
14 account of service-connected disability or death: *Provided*
15 *further*, That such pensions shall be paid at the rate of one
16 Philippine peso for each dollar authorized to be paid under
17 the laws providing for such pensions: *Provided further*,
18 That any payments heretofore made under any such law to
19 or with respect to any member of the military forces of the
20 Government of the Commonwealth of the Philippines who
21 served in the service of the armed forces of the United States
22 shall not be deemed to be invalid by reason of the circum-
23 stances that his service was not service in the military or
24 naval forces of the United States or any component thereof
25 within the meaning of such law.

1 GENERAL PROVISION

2 Appropriations for the Military Establishment for the
3 fiscal year 1946 available for expenses of travel may be used
4 under regulations prescribed by the Secretary of War, for
5 the payment, in lieu of transportation in kind or movement
6 at Government expense authorized by law for dependents, of
7 4 cents per mile for dependents twelve years of age or over
8 and of 2 cents per mile for dependents between five and
9 twelve years of age, in advance or otherwise, in accordance
10 with distances established for payment and settlement of
11 mileage accounts of officers pursuant to the provisions of the
12 Act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C.
13 870).

14 In all, title II, \$30,263,923,993.

15 TITLE III—NAVAL ESTABLISHMENT

16 Office of the Secretary:

17 Miscellaneous expenses, Navy:

18 Fiscal year 1944, \$2,323,605.

19 Fiscal year 1945, \$671,805.

20 Fiscal year 1946, \$11,900,000.

21 Contingent, Navy:

22 Fiscal year 1944, \$74,000.

23 Fiscal year 1945, \$49,000.

24 Fiscal year 1946, \$20,000.

1 Naval emergency fund:

2 Fiscal year 1945, \$25,477.

3 Fiscal year 1946, \$3,000,000.

4 Naval Research Laboratory:

5 Fiscal year 1944, \$5,185.

6 Fiscal year 1945, \$3,002.

7 Fiscal year 1946, \$90,000.

8 Operation and conservation of naval petroleum reserves:

9 Fiscal year 1944, \$6,986.

10 Fiscal year 1945, \$6,353.

11 Fiscal year 1946, \$18,000.

12 Ocean and lake surveys, Navy:

13 Fiscal year 1944, \$6,677.

14 Fiscal year 1945, \$21,298.

15 Bureau of Naval Personnel:

16 Naval War College:

17 Fiscal year 1944, \$4,521.

18 Fiscal year 1945, \$2,886.

19 Naval Training Station, San Diego, California:

20 Fiscal year 1944, \$232,338.

21 Fiscal year 1945, \$327,515.

22 Naval Training Station, Newport, Rhode Island:

23 Fiscal year 1944, \$823.

24 Fiscal year 1945, \$256.

25

1 Naval Training Station, Great Lakes, Illinois:

2 Fiscal year 1944, \$459,244.

3 Fiscal year 1945, \$29,510.

4 Fiscal year 1946, \$700,000.

5 Naval Training Station, Norfolk, Virginia:

6 Fiscal year 1944, \$4,488.

7 Fiscal year 1945, \$14,879.

8 Naval Training Station, Lake Pend Oreille, Idaho:

9 Fiscal year 1944, \$54,790.

10 Fiscal year 1945, \$604,708.

11 Naval Training Station, Lake Seneca, New York:

12 Fiscal year 1944, \$38,894.

13 Fiscal year 1945, \$3,209.

14 Naval Training Station, Port Deposit, Maryland:

15 Fiscal year 1945, \$2,794.

16 Fiscal year 1946, \$500,000.

17 Fleet training, Navy:

18 Fiscal year 1944, \$11,108.

19 Fiscal year 1945, \$164,695.

20 Fiscal year 1946, \$78,000.

21 Instruction, Navy:

22 Fiscal year 1944, \$2,151,364.

23 Fiscal year 1945, \$120,000.

24 Fiscal year 1946, \$6,000,000.

1 Libraries, Navy:

2 Fiscal year 1944, \$145,920.

3 Fiscal year 1945, \$1,693.

4 Fiscal year 1946, \$1,252,935.

5 Welfare and recreation, Navy:

6 Fiscal year 1944, \$903,681.

7 Fiscal year 1946, \$4,124,000.

8 Naval Reserve Officers' Training Corps:

9 Fiscal year 1944, \$237,300.

10 Fiscal year 1945, \$88,337.

11 Miscellaneous expenses, Bureau of Naval Personnel:

12 Fiscal year 1944, \$3,009.

13 Fiscal year 1945, \$124.

14 Fiscal year 1946, \$20,000.

15 Naval Reserve:

16 Fiscal year 1944, \$54,961,800.

17 Fiscal year 1945, \$24,511,154.

18 Fiscal year 1946, \$38,262,000.

19 Pay, Naval Academy:

20 Fiscal year 1944, \$88,394.

21 Fiscal year 1945, \$93,796.

22 Maintenance, Naval Academy:

23 Fiscal year 1944, \$6,877.

24 Fiscal year 1945, \$2,529.

- 1 Naval Home, Philadelphia, Pennsylvania:
- 2 Fiscal year 1944, \$610.
- 3 Fiscal year 1945, \$1,250.
- 4 Naval prison farms and prison personnel:
- 5 Fiscal year 1944, \$10.
- 6 Fiscal year 1945, \$5,100.
- 7 Bureau of Ships:
- 8 Maintenance, Bureau of Ships:
- 9 Fiscal year 1942, \$43,907,135.
- 10 Fiscal year 1942-43, \$51,956,375.
- 11 Fiscal year 1943, \$64,050,351.
- 12 Fiscal year 1944, \$52,247,000.
- 13 Fiscal year 1945, \$118,474,000.
- 14 Fiscal year 1946, \$1,468,000,000.
- 15 Defense installations on merchant vessels, Navy.
- 16 \$13,658,123.
- 17 Bureau of Ordnance:
- 18 Ordnance and ordnance stores, Navy:
- 19 Fiscal year 1944, \$551,226,542.
- 20 Fiscal year 1945, \$1,208,752,767.
- 21 Fiscal year 1946, \$2,575,225,500.
- 22 Bureau of Supplies and Accounts:
- 23 Pay, subsistence, and transportation, Navy, 1944,
- 24 \$69,247,269.

1 Pay and subsistence of naval personnel, 1946, \$1,317,-
2 369,200.

3 Maintenance, Bureau of Supplies and Accounts, 1946,
4 \$81,314,000.

5 Transportation of things, Navy, 1946, \$140,036,282.

6 Fuel, Navy, 1946, \$100,000,000.

7 Bureau of Medicine and Surgery:

8 Medical Department, Navy:

9 Fiscal year 1944, \$14,017,195.

10 Fiscal year 1945, \$12,238,592.

11 Fiscal year 1946, \$30,000,000.

12 Bureau of Yards and Docks:

13 Maintenance, Bureau of Yards and Docks:

14 Fiscal year 1944, \$2,431,496.

15 Fiscal year 1945, \$3,139,211.

16 Fiscal year 1946, \$5,000,000.

17 Public Works, Bureau of Yards and Docks, \$400,000,-

18 000, and the contract authorization for "Public Works,

19 Bureau of Yards and Docks" available in the fiscal year

20 1946 is hereby reduced in the sum of \$1,248,510,540: *Pro-*

21 *vided*, That the rescission of \$400,000,000 of the appropria-

22 tion shall not act to reduce further the contract authority:

23 *Provided further*, That of this amount \$946,000,000 shall

24 apply against advance base construction, material, and equip-

25 ment: *Provided further*, That of the funds remaining avail-

1 able for advance base construction, material, and equipment,
2 not to exceed \$6,000,000 shall be available toward recon-
3 struction of the civilian economy of Guam.

4 Bureau of Aeronautics:

5 Aviation, Navy:

6 Fiscal year 1943, \$256,482,489.

7 Fiscal year 1943-44, \$193,929,557.

8 Fiscal year 1944, \$811,987,405.

9 Fiscal year 1945, \$1,468,753,102.

10 Fiscal year 1946, \$1,359,367,650, and subappro-
11 priations under this head are hereby decreased as fol-
12 lows: (1) New construction and procurement of aircraft
13 and equipment, spare parts, and so forth, from "\$799,-
14 128,500" to "\$128,116,900", (2) replacement of navi-
15 gational and radio equipment for aircraft in service, and
16 so forth, from "\$168,808,200" to "\$44,934,000", and
17 (3) maintenance, repair, and operation of aircraft fac-
18 tory, air stations, and so forth, from "\$1,431,840,800"
19 to "\$800,374,950"; the subappropriation "continuing
20 experiments and development work, and so forth," is
21 hereby increased from "\$81,272,500" to "\$148,256,-
22 500"; and the unobligated portion of the contract
23 authorization provided under this head is hereby re-
24 pealed.

- 1 Marine Corps:
- 2 Pay, Marine Corps:
- 3 Fiscal year 1944, \$40,521,480.
- 4 Fiscal year 1945, \$10,000,000.
- 5 Fiscal year 1946, \$69,913,260.
- 6 Pay of civil force, Offices of Commandant of Marine
- 7 Corps and Director of Personnel:
- 8 Fiscal year 1944, \$358.
- 9 Fiscal year 1945, \$174.
- 10 Pay of civil force, Office of Paymaster General, Marine
- 11 Corps:
- 12 Fiscal year 1944, \$330.
- 13 Fiscal year 1945, \$118.
- 14 Pay of civil force, Office of Quartermaster General,
- 15 Marine Corps:
- 16 Fiscal year 1944, \$844.
- 17 Fiscal year 1945, \$1,059.
- 18 General expenses, Marine Corps:
- 19 Fiscal year 1944, \$79,787,482.
- 20 Fiscal year 1945, \$56,737,554.
- 21 Fiscal year 1946, \$307,750,000.
- 22 Increase and replacement of naval vessels:
- 23 Increase and replacement of naval vessels, construc-
- 24 tion and machinery, \$732,104,151.

1 Increase and replacement of naval vessels, armor,
2 armament and ammunition, \$276,876,967.

3 Increase and replacement of naval vessels, emer-
4 gency construction, \$38,385,489: *Provided*, That the
5 balances remaining of appropriations under "Increase
6 and replacement of naval vessels" shall not be available
7 for the period of the fiscal year 1946 subsequent to
8 October 16, 1945, for beginning the construction of any
9 new vessels, except, not to exceed \$24,100,000 may be
10 available during the fiscal year 1946 against the con-
11 struction of five advanced type combatant vessels and
12 seventeen minor craft.

13 Repair facilities, Navy:

14 Repair facilities, Navy, \$38,266,050, and the con-
15 tract authorization for "Repair facilities, Navy", avail-
16 able in the fiscal year 1946 is hereby reduced in the
17 sum of \$27,562,131.

18 Coast Guard:

19 Salaries, Office of Commandant, United States Coast
20 Guard:

21 Fiscal year 1944, \$219.

22 Fiscal year 1945, \$133,293.

23 Pay and allowances, Coast Guard:

24 Fiscal year 1944, \$35,006,326.

1 Fiscal year 1945, \$8,658,922.

2 Fiscal year 1946, \$80,000,000.

3 General expenses, Coast Guard:

4 Fiscal year 1944, \$631,865.

5 Fiscal year 1945, \$1,289,896.

6 Fiscal year 1946, \$20,000,000.

7 Civilian employees, Coast Guard:

8 Fiscal year 1944, \$109,654.

9 Fiscal year 1945, \$200,633.

10 Establishing and improving aids to navigation, Coast
11 Guard, \$346,000.

12 Acquisition of vessels and shore facilities, Coast Guard,
13 \$2,741,000.

14 Retired pay, former Lighthouse Service, Coast Guard:

15 Fiscal year 1944, \$73,320.

16 Fiscal year 1945, \$48,109.

17 Salaries, Merchant Marine Inspection, Coast Guard,
18 1945, \$25,536.

19 Salaries and expenses, Merchant Marine Inspection,
20 Coast Guard:

21 Fiscal year 1944, \$899,401.

22 Fiscal year 1945, \$373,270.

23 Emergency construction, vessels and shore facilities,
24 Coast Guard (Navy), \$231,000.

-33

1 Special projects, vessels, Coast Guard (Navy),
2 \$127,000.

3 Special projects, aids to navigation, Lighthouse Service,
4 Coast Guard (Navy), \$28,699.

5 Special projects, aids to navigation, Coast Guard
6 (Navy), \$556,000.

7 NAVY DEPARTMENT

8 Salaries:

9 Salaries, Office of Secretary of the Navy:

10 Fiscal year 1944, \$78.

11 Fiscal year 1945, \$5,330.

12 Salaries, General Board, Navy Department:

13 Fiscal year 1944, \$3,826.

14 Fiscal year 1945, \$8,775.

15 Salaries, Naval Examining and Retiring Boards:

16 Fiscal year 1944, \$1,536.

17 Fiscal year 1945, \$5,662.

18 Salaries, Office of Naval Records and Library:

19 Fiscal year 1944, \$879.

20 Fiscal year 1945, \$7,035.

21 Salaries, Office of Judge Advocate General, Navy:

22 Fiscal year 1944, \$5,312.

23 Fiscal year 1945, \$36.

1 Salaries, Office of Chief of Naval Operations:

2 Fiscal year 1944, \$787.

3 Fiscal year 1945, \$731.

4 Salaries, Board of Inspection and Survey, Navy Depart-
5 ment:

6 Fiscal year 1944, \$3,452.

7 Fiscal year 1945, \$2,893.

8 Salaries, Office of Director of Naval Communications:

9 Fiscal year 1944, \$125.

10 Fiscal year 1945, \$18,647.

11 Salaries, Office of Naval Intelligence:

12 Fiscal year 1944, \$2,932.

13 Fiscal year 1945, \$923.

14 Salaries, Hydrographic Office:

15 Fiscal year 1944, \$176,696.

16 Fiscal year 1945, \$16,357.

17 Salaries, Naval Observatory:

18 Fiscal year 1944, \$38.

19 Fiscal year 1945, \$1,117.

20 Salaries, Bureau of Ships:

21 Fiscal year 1944, \$2.

22 Salaries, Bureau of Ordnance:

23 Fiscal year 1944, \$322.

24 Fiscal year 1945, \$151.

1 Salaries, Bureau of Supplies and Accounts:

2 Fiscal year 1944, \$2,992.

3 Fiscal year 1945, \$2,414.

4 Salaries, Bureau of Medicine and Surgery:

5 Fiscal year 1944, \$4,578.

6 Fiscal year 1945, \$2,854.

7 Salaries, Bureau of Yards and Docks:

8 Fiscal year 1944, \$94.

9 Salaries, Bureau of Aeronautics:

10 Fiscal year 1944, \$46.

11. Contingent expenses:

12 Contingent expenses, Navy Department, 1944, \$10,322.

13 Contingent expenses, Navy Department, 1946:

14 The amount which may be transferred to this appropria-
15 tion from other appropriations contained in the Naval Appropria-
16 tion Act, 1946, is hereby decreased from "\$5,500,000"
17 to "\$4,500,000".

18 Printing and binding, Navy Department, 1946:

19 The amount which may be transferred to this appro-
20 priation from other appropriations contained in the Naval
21 Appropriation Act, 1946, is hereby decreased from "\$18,-
22 500,000" to "\$10,500,000".

23 Contingent and miscellaneous expenses, Hydrographic
24 Office:

25 Fiscal year 1944, \$289,839.

1 Fiscal year 1945, \$94,942.

2 Fiscal year 1946, \$413,000.

3 Contingent and miscellaneous expenses, Naval Ob-
4 servatory:

5 Fiscal year 1944, \$572.

6 Fiscal year 1945, \$40.

7 GENERAL PROVISIONS

8 Provisions of law prohibiting the payment of compen-
9 sation to any person not a citizen of the United States shall
10 not apply to personnel under the Naval Establishment dur-
11 ing the fiscal year ending June 30, 1946.

12 Notwithstanding the provisions of section 10 of the
13 Pay Readjustment Act of 1942 (56 Stat. 364), the Secre-
14 tary of the Navy is authorized and directed to issue in kind
15 one dress blue uniform and overcoat to each enlisted man
16 in the naval service upon his return to the United States
17 from sea and foreign shore duty for separation from the
18 naval service upon the sworn statement of such enlisted
19 man that these articles of clothing are not now in his pos-
20 session by reason of compliance with orders of higher naval
21 authority or other exigencies of the service beyond his con-
22 trol and that no claim for reimbursement will be filed for
23 the value of such articles so replaced: *Provided*, That the
24 value of such articles of clothing shall be charged to the

1 clothing and small-stores fund. The authority contained
2 herein shall terminate on September 30, 1946.

3 Personnel of the Naval Reserve, not qualified for sea
4 duty, will, upon their application, be placed on inactive
5 duty if surplus to requirements.

6 The dependents and household effects of such civilian
7 and naval personnel of the Naval Establishment (without
8 regard to rank or grade) on duty at locations outside the
9 continental limits of the United States, or in Alaska, as
10 may be determined upon by the Secretary of the Navy,
11 may prior or subsequent to the issuance of orders for the
12 relief of such personnel from their stations, or subsequent
13 to the discharge or release of such personnel from active
14 service, be moved (including packing and unpacking of
15 household effects) from such locations outside the conti-
16 nental limits of the United States, or in Alaska, to such
17 locations as may be designated by such personnel, or de-
18 pendents concerned, by the use of either Government or
19 commercial means of transportation, and later from such
20 locations to the duty station to which such personnel may
21 be ordered, and current appropriations of the Navy Establish-
22 ment available for travel and transportation may be used
23 for this purpose. In lieu of the transportation in kind
24 authorized for dependents, the Secretary of the Navy may

1 authorize the payment in money of amounts equal to the
2 commercial transportation costs (including taxes if paid),
3 for the whole or such part of the travel for which trans-
4 portation in kind is not furnished when such travel shall
5 have been completed.

6 In all, title III, \$14,370,159,964.

7 GENERAL PROVISION

8 The officer and enlisted personnel strengths of the Army,
9 Navy, Marine Corps, and Coast Guard shall be demobilized
10 at a rate not less than would be necessary to keep within the
11 amounts available for their pay in consequence of the pro-
12 visions of this Act, unless the President otherwise shall direct.

13 Effective December 1, 1945, no military or naval per-
14 sonnel shall receive during the remainder of the current fiscal
15 year aviation pay unless the person affected is assigned to
16 duty on air activities prescribed by the Secretary of War
17 or the Secretary of the Navy as requiring regular and fre-
18 quent participation in aerial flights, or is required to partici-
19 pate regularly and frequently in aerial flights in order to
20 continue his fitness for his primary technical skill: *Provided,*
21 That in addition, on or before January 1, annually, the
22 Secretaries of War and Navy, respectively, shall certify to
23 the Congress by rank and age group the number of such
24 officers above the rank of major of the Army or lieutenant
25 commander of the Navy, with the average monthly flight

1 pay authorized by law to be paid to such officers during
2 the six-month period preceding the date of the report: *Pro-*
3 *vided further*, That the Secretary of War and the Secretary
4 of the Navy shall on or before ~~January 3~~ *February 28*, 1946,
5 submit to the Congress a joint recommendation for revision of
6 the Pay Readjustment Act of 1942, as amended, including
7 but not restricted to recommendations with respect to in-
8 creases authorized for flying pay, parachute pay, glider pay,
9 submarine pay, and similar special pay and allowances.

10 SEC. 301. This Act may be cited as the "First Supple-
11 mental Surplus Appropriation Rescission Act, 1946".

Passed the House of Representatives January 30, 1946.

Attest:

SOUTH TRIMBLE,

Clerk.

Calendar No. 930

79TH CONGRESS
2D SESSION
H. R. 5158

[Report No. 919]

AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

JANUARY 31 (legislative day, JANUARY 18), 1946
Read twice and referred to the Committee on Appropriations

FEBRUARY 4 (legislative day, JANUARY 18), 1946
Reported with an amendment

[PUBLIC LAW 301—79TH CONGRESS]

[CHAPTER 30—2D SESSION]

[H. R. 5158]

AN ACT

Reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the appropriations and contractual authorizations of the departments and agencies available in the fiscal year 1946, and prior year unreverted appropriations, are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act:

**TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT,
INDEPENDENT OFFICES, AND EXECUTIVE DEPART-
MENTS**

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE FOR EMERGENCY MANAGEMENT

Foreign Economic Administration:

Salaries and expenses, \$3,884,400, and limitations under this head are hereby decreased as follows: (1) Travel within continental United States from "\$234,000" to "\$180,000", (2) reimbursement to employees for emergency or extraordinary expenses from "\$75,000" to "\$47,500", and (3) expenses of a confidential character from "\$1,200,000" to "\$100,000".

Penalty mail costs, \$12,440.

National War Labor Board:

Salaries and expenses, \$1,566,500.

Office of Defense Transportation:

Salaries and expenses, \$3,075,000, and limitations under this head are hereby decreased as follows: (1) Traveling expenses from "\$452,500" to "\$150,000", (2) printing and binding from "\$47,500" to "\$14,000" (of which the amount available outside continental United States is decreased from "\$1,800" to "\$500"), and (3) penalty mail costs from "\$118,900" to "\$53,000".

Office of Economic Stabilization:

Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from "\$2,250" to "\$1,500", (2) traveling expenses from "\$4,500" to "\$4,000", and (3) printing and binding from "\$2,000" to "\$1,600".

Office of Inter-American Affairs:

Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development:

Salaries and expenses, \$56,101,792.

Office of War Information:

Salaries and expenses, \$6,912,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil-service and classification laws from "\$45,800" to "\$28,750", (2) travel within continental United States from "\$267,500" to "\$237,500", (3) printing and binding within continental United States from "\$1,000,000" to "\$587,500", and (4) to meet emergencies of a confidential character from "\$250,000" to "\$47,500".

War Manpower Commission:

General administration, \$71,194.

Apprentice training service (national defense), \$131,500, and the balance to remain available until December 31, 1945.

Training Within Industry Service (national defense), \$125,000, and the balance to remain available until December 31, 1945.

Migration of workers, \$479,000.

War Production Board:

Salaries and expenses, \$10,000,000, and limitations under this head are hereby decreased as follows: (1) Travel expenses from "\$1,944,000" to "\$954,000", (2) penalty mail costs from "\$210,000" to "\$105,000", (3) printing and binding from "\$648,000" to "\$346,000", and (4) salary of the head of the agency from "\$15,000" to "\$12,000", except that so long as the position is held by the present incumbent the salary shall remain at \$15,000.

War Shipping Administration:

Revolving fund, \$195,452,000.

Maritime training fund, \$25,000,000.

Marine and war risk insurance fund, revolving fund, \$91,000,000.

Office of Censorship: Salaries and expenses, \$8,200,000.

Office of Price Administration:

Salaries and expenses, \$25,929,000, and limitations under this head are hereby decreased as follows: (1) Printing and binding from "\$1,470,000" to "\$961,064", (2) traveling expenses from "\$7,949,700" to "\$6,780,000", and (3) penalty mail costs from "\$5,210,550" to "\$3,085,000".

Office of Strategic Services:

Salaries and expenses, \$9,500,000, and limitations under this head are hereby decreased as follows: (1) Expenditures without regard to provisions of law and regulations from "\$10,500,000" to "\$3,000,000", and (2) expenditures for objects of a confidential nature from "\$10,000,000" to "\$2,750,000".

Petroleum Administration for War:

Salaries and expenses, \$1,800,000, and limitations under this head are hereby decreased as follows: (1) Personal services without regard to civil-service and classification laws from "\$250,000" to "\$125,000", and (2) travel expenses from "\$263,700" to "\$100,000".

In all, Office for Emergency Management, \$440,794,164.

EMERGENCY FUNDS APPROPRIATED TO THE PRESIDENT

Emergency fund for the President, national defense, \$45,000,000.

Defense aid—lend-lease:

(1) Ordnance and ordnance stores, supplies, spare parts, and materials, \$57,990,000.

(2) Aircraft and aeronautical material, \$85,705,000.

(3) Tanks, armored cars, automobiles, trucks, and other automotive vehicles, spare parts, and accessories, \$24,461,000.

(4) Vessels, ships, boats, and other watercraft, \$76,080,000.

(5) Miscellaneous military equipment, supplies and materials, \$8,963,000.

(6) Facilities and equipment for the manufacture or production of defense articles, by construction or acquisition, \$17,937,000.

(7) Agricultural, industrial, and other commodities and articles, \$1,351,216,000, and the \$500,000,000 made available by title II of the Second Deficiency Appropriation Act, 1945, as a reserve for expenditure for postwar price support of agriculture shall be paid to the Commodity Credit Corporation and continued as a reserve fund for expenditure, as and when necessary, for the postwar price support of agriculture.

(7b) For testing, inspecting, proving, repairing, outfitting, reconditioning, or otherwise placing in good working order any defense articles for the government of any country whose defense the President deems vital to the defense of the United States, \$73,266,000.

(7d) For necessary services and expenses for carrying out the purposes of such Act not specified or included in the foregoing, \$43,943,000.

In all, emergency funds appropriated to the President, \$1,784,561,000.

INDEPENDENT OFFICES

Civil Service Commission: Salaries and expenses, Civil Service Commission (national defense), \$2,032,000.

Employees' Compensation Commission: Employees' compensation fund, \$1,761,644.

Federal Communications Commission: Salaries and expenses, Federal Communications Commission (national defense), \$465,000.

Federal Power Commission: National defense activities, \$17,628.

National Advisory Committee for Aeronautics: Advisory Committee for Aeronautics, \$2,000,000.

Selective Service System: Salaries and expenses, \$2,957,500.

United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund, \$496,500,000.

FEDERAL SECURITY AGENCY

Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$392,568.

Malaria and diseases of tropical origin (national defense), \$1,862,501.

Training for nurses (national defense), \$15,557,000, and the limitation on the amount which may be expended for administrative expenses is hereby decreased from "\$788,255" to "\$611,322".

FEDERAL WORKS AGENCY

Office of the Administrator: War public works (community facilities), \$13,700,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$750,000.

Construction of temporary office buildings, Washington, District of Columbia, unobligated balance.

Public Roads Administration: Flight strips (national defense), \$318,008.

NATIONAL HOUSING AGENCY

Office of the Administrator:

War housing, \$74,355,000.

War housing in and near the District of Columbia, \$3,372,000.

Reserves: From the reserve account established by the National Housing Administrator in the Treasury pursuant to section 303 of Public Law 849, Seventy-sixth Congress, approved October 14, 1940, as amended, \$50,000,000.

Section 303 of the Act of October 14, 1940, as amended (42 U. S. C. 1521), is hereby amended by inserting "(a)" after the figures "303", and adding the following new subsections:

"(b) Moneys derived by the National Housing Administrator from the disposition of property, or from the removal of temporary housing, acquired or constructed under the provisions of this Act, of Public Laws Numbered 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of disposition and removal, including the establishment of necessary reserves therefor and administrative expenses in connection therewith: *Provided*, That moneys derived by said Administrator from the disposition of any such property or the removal of any such temporary housing may be deposited in a common fund account or accounts in the Treasury: *And provided further*, That except for necessary reserves authorized by this Act or by section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, the unobligated balances of the moneys deposited into the Treasury from the disposition of any such property or the removal of any such temporary housing shall be covered at the end of each fiscal year into miscellaneous receipts.

"(c) Moneys in the reserve account established by the National Housing Administrator pursuant to subsections (a) and (b) of this section 303 shall not exceed \$25,000,000 at any time: *Provided*, That all moneys in said account shall be covered into miscellaneous receipts not later than two years after the President shall have declared that the emergency declared by him on September 8, 1939, has ceased to exist."

In all, independent offices, \$666,040,849.

EXECUTIVE DEPARTMENTS

[Non-War]

DEPARTMENT OF AGRICULTURE

Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946: *Provided*, That any balances remaining shall be available until December 31, 1946, for completing the liquidation of the emergency rubber project.

War Food Administration: Salaries and expenses, \$3,116,894.

Emergency supplies for Territories and possessions, \$25,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Bureau of Agricultural Economics, salaries and expenses (crop and livestock estimates).

Office of Foreign Agricultural Relations, salaries and expenses.

Agricultural Research Administration:

Bureau of Animal Industry, salaries and expenses (meat inspection);

Bureau of Plant Industry, Soils, and Agricultural Engineering, salaries and expenses (fruit, vegetable, and specialty crops);

Bureau of Entomology and Plant Quarantine, salaries and expenses (foreign plant quarantine).

Forest Service:

Salaries and expenses (national forest protection and management);

Forest-fire cooperation.

DEPARTMENT OF COMMERCE

Office of the Secretary: Salaries and expenses, National Inventors Council Service Staff, \$11,000.

Office of Administrator of Civil Aeronautics: Development of landing areas, \$5,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Coast and Geodetic Survey, salaries and expenses, departmental;

Patent Office, salaries;

Weather Bureau, salaries and expenses.

DEPARTMENT OF THE INTERIOR

Office of the Secretary: Salaries and expenses, Division of Geography, \$13,000.

War Relocation Authority: Salaries and expenses, War Relocation Authority, Department of the Interior, \$2,500,000.

Office of Fishery Coordination: Salaries and expenses, \$57,000.

Solid Fuels Administration for War:

Salaries and expenses, \$275,000, and on April 1, 1946, the sum of \$150,000 of said appropriation shall be transferred to the appropriation "Economics of mineral industries", Bureau of Mines, and the limitation in said latter appropriation for personal services in the District of Columbia shall be increased from "\$397,500" to "\$529,000".

Bureau of Mines

Enforcement of Federal Explosives Act, \$27,900.

Investigation of raw-material resources for steel production (national defense), \$180,000.

Construction and equipment of helium plants, \$260,000.

Manganese beneficiation pilot plants and research (national defense), \$50,000.

Production of alumina from low-grade bauxite, aluminum clays and alunite (national defense), \$200,000.

Investigation of bauxite and alunite ores and aluminum clay deposits (national defense), \$350,000.

Magnesium pilot plants and research (national defense), \$150,000.

Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense), \$420,000.

GOVERNMENT IN THE TERRITORIES

Emergency fund, Territories and island possessions: (national defense), \$332,000.

DEPARTMENT OF JUSTICE

Legal activities and general administration: Salaries and expenses, War Division, \$100,000.

Federal Bureau of Investigation: Salaries and expenses, detection and prosecution of crimes (emergency), \$1,240,000.

DEPARTMENT OF LABOR

Office of the Secretary:

Salaries and expenses (national defense), \$1,388.

Salaries and expenses, safety and health program (national defense), \$60,000.

Children's Bureau:

Grants to States for emergency maternity and infant care (national defense), \$8,113,600: *Provided*, That such reduced amount shall not affect the amount to be allotted to the States for administrative expenses as authorized in the Department of Labor Appropriation Act, 1946.

WAR DEPARTMENT

The Panama Canal: Maintenance and operation of the Panama Canal, \$5,000,000.

In all, executive departments, \$54,107,572.

In all, title I, \$2,945,503,585.

Miscellaneous Provisions, Title I

REDUCTIONS IN CONTRACT AUTHORIZATIONS

Contract authorizations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth:

EXECUTIVE OFFICE OF THE PRESIDENT

Emergency funds appropriated to the President: Defense aid—lend-lease, \$600,000,000.

INDEPENDENT OFFICES

United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund, \$325,900,000.

FEDERAL WORKS AGENCY

Public Roads Administration:
Strategic highway network, \$1,484,363.
Access roads, \$2,576,845.

REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE EXPENSES

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management: Foreign Economic Administration, Rubber Development Corporation, \$249,500.
War Shipping Administration:
Revolving fund, \$4,312,000.
Maritime training fund, \$519,357.

INDEPENDENT OFFICES

Smaller War Plants Corporation:
Administrative expenses, \$1,550,000, and the limitation under this head on the amount of penalty-mail costs is hereby decreased from "\$50,000" to "\$40,000".
United States Maritime Commission:
Construction fund, Act June 29, 1936, revolving fund, \$2,687,450.

EXTENDING AVAILABILITY OF APPROPRIATIONS

The following appropriations for the fiscal year 1946 are hereby continued available until June 30, 1946, except as modified in this title.
Executive Office of the President:

Bureau of the Budget, national defense activities.

Independent Offices:

Civil Service Commission, salaries and expenses (national defense).

Federal Communications Commission, salaries and expenses (national defense).

Federal Power Commission: National defense activities.

Federal Security Agency:
Office of the Administrator:
Salaries and expenses, Office of Community War Services;
Expenses, temporary aid to enemy aliens and other
restricted persons.
Department of the Interior:
Office of the Secretary:
Salaries and expenses, Division of Geography, Department
of the Interior.

CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:
Office of Inter-American Affairs: The Director of the Office
of Inter-American Affairs is hereby directed to deposit in the
Treasury of the United States as miscellaneous receipts the fol-
lowing sums representing excess funds of corporations created
by the Coordinator of Inter-American Affairs under authority of
law:
Institute of Inter-American Transportation, \$315,500.
Prencinradio, Incorporated, \$875,000.

GENERAL PROVISIONS

In order to accomplish the liquidation of any temporary agency of
the Government created to perform functions in connection with the
national security and defense, there may be transferred to such liqui-
dating agency as the President may designate such amount from the
funds of the agency to be liquidated as the Bureau of the Budget shall
determine is necessary therefor.

TITLE II—MILITARY ESTABLISHMENT

Office of Secretary of War:
Contingencies of the Army, 1942-1946, \$12,829,151.
Expediting Production of Equipment and Supplies for
National Defense, 1940-1946, \$282,892,000.
General Staff Corps:
Contingent Fund, Chief of Staff, 1942-1946, \$124,335,489.
Special Field Exercises, Army, 1942-1946, \$51,246,874.
Finance Department:
Finance Service, Army, 1942-1946, \$207,000, and subappro-
priations under this head are hereby decreased as follows:
(1) Expenses of courts martial, \$36,000; and (2) Apprehension
of deserters, \$171,000.
Quartermaster Corps:
Quartermaster Service, Army, 1942-1946, \$3,919,838,479, and
subappropriations under this head are hereby decreased as
follows: (1) Welfare of enlisted men, \$5,000,000; (2) subsistence
of the Army, \$1,762,081,479; (3) regular supplies of the Army,
\$541,018,000; (4) clothing and equipage, \$1,563,225,000;

(5) horses, draft and pack animals, \$1,514,000; and (6) Army transportation, \$17,000,000.

Transportation Corps:
Transportation Service, Army, 1945-1946, \$704,268,000.

Signal Corps:
Signal Service of the Army, 1942-1946, \$1,675,684,000.

Air Corps:
Air Corps, Army, 1942-1946, \$11,799,313,000: *Provided*, That before any permanent fields are determined upon or permanent buildings erected thereon the Air Corps shall submit to Congress a list of such fields and the justification therefor.

Medical Department:
Medical and Hospital Department, Army, 1942-1946, \$267,539,000.

Corps of Engineers:
Engineer Service, Army, 1942-1946, \$2,306,763,000, and sub-appropriations under this head are hereby decreased as follows: (1) Engineer Service, \$2,011,648,000; (2) Military posts, \$148,255,000; and (3) Barracks and quarters, Army, \$146,860,000.

Ordnance Department:
Ordnance Service and Supplies, Army, 1942-1946, \$8,100,000,000.

Chemical Warfare Service:
Chemical Warfare Service, Army, 1942-1946, \$997,870,000.

Special Service Schools:
Special Service Schools, Army, 1942-1946, \$178,000, and sub-appropriations under this head are hereby decreased as follows: (1) Infantry School, \$81,000; (2) Cavalry activities, \$22,700; and (3) Field Artillery activities, \$74,300.

Seacoast defenses:
Seacoast defenses, general, 1942-1946, \$1,664,000.

United States Military Academy: Pay of Military Academy, 1942-1946, \$21,000.

Inter-American Relations, War Department: Inter-American Relations, War Department, 1943-1946, \$75,000.

Office of the Secretary:
Contingent expenses, War Department, 1942-1946, \$1,200,000.
Printing and binding, War Department, 1942-1946, \$18,000,000.

TRANSFER OF APPROPRIATIONS

In addition to the transfers authorized by section 3 of the Military Appropriation Act, 1946, transfers of not to exceed the amounts hereinafter set forth may be made, with the approval of the Bureau of the Budget, from the appropriation "Ordnance Service and Supplies, Army", to the following appropriations:

Army War College, \$23,819;
Command and General Staff School, Fort Leavenworth, Kansas, \$30,189;
Quartermaster Service, Army, \$7,881,967;
Rock Island Bridge, Rock Island, Illinois, \$5,719;
Instruction in armored force activities, \$389,756;
Maintenance and Operation, United States Military Academy, \$1,323,884;

Army of the Philippines, \$200,000,000: *Provided*, That service in the organized military forces of the Government of the Commonwealth of the Philippines, while such forces were in the service of the armed forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941, shall not be deemed to be or to have been service in the military or naval forces of the United States or any component thereof for the purposes of any law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the military or naval forces of the United States or any component thereof, except benefits under (1) the National Service Life Insurance Act of 1940, as amended, under contracts heretofore entered into, and (2) laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death: *Provided further*, That such pensions shall be paid at the rate of one Philippine peso for each dollar authorized to be paid under the laws providing for such pensions: *Provided further*, That any payments heretofore made under any such law to or with respect to any member of the military forces of the Government of the Commonwealth of the Philippines who served in the service of the armed forces of the United States shall not be deemed to be invalid by reason of the circumstances that his service was not service in the military or naval forces of the United States or any component thereof within the meaning of such law.

GENERAL PROVISION

Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War, for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents twelve years of age or over and of 2 cents per mile for dependents between five and twelve years of age, in advance or otherwise, in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the Act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. 870).

In all, title II, \$30,263,923,993.

TITLE III—NAVAL ESTABLISHMENT

Office of the Secretary:

Miscellaneous expenses, Navy:

Fiscal year 1944, \$2,323,605.

Fiscal year 1945, \$671,805.

Fiscal year 1946, \$11,900,000.

Contingent, Navy:

Fiscal year 1944, \$74,000.

Fiscal year 1945, \$49,000.

Fiscal year 1946, \$20,000.

Naval emergency fund:

Fiscal year 1945, \$25,477.

Fiscal year 1946, \$3,000,000.

Naval Research Laboratory:
Fiscal year 1944, \$5,185.
Fiscal year 1945, \$3,002.
Fiscal year 1946, \$90,000.
Operation and conservation of naval petroleum reserves:
Fiscal year 1944, \$6,986.
Fiscal year 1945, \$6,353.
Fiscal year 1946, \$18,000.
Ocean and lake surveys, Navy:
Fiscal year 1944, \$6,677.
Fiscal year 1945, \$21,298.
Bureau of Naval Personnel:
Naval War College:
Fiscal year 1944, \$4,521.
Fiscal year 1945, \$2,886.
Naval Training Station, San Diego, California:
Fiscal year 1944, \$232,338.
Fiscal year 1945, \$327,515.
Naval Training Station, Newport, Rhode Island:
Fiscal year 1944, \$823.
Fiscal year 1945, \$256.
Naval Training Station, Great Lakes, Illinois:
Fiscal year 1944, \$459,244.
Fiscal year 1945, \$29,510.
Fiscal year 1946, \$700,000.
Naval Training Station, Norfolk, Virginia:
Fiscal year 1944, \$4,488.
Fiscal year 1945, \$14,879.
Naval Training Station, Lake Pend Oreille, Idaho:
Fiscal year 1944, \$54,790.
Fiscal year 1945, \$604,708.
Naval Training Station, Lake Seneca, New York:
Fiscal year 1944, \$38,894.
Fiscal year 1945, \$3,209.
Naval Training Station, Port Deposit, Maryland:
Fiscal year 1945, \$2,794.
Fiscal year 1946, \$500,000.
Fleet Training, Navy:
Fiscal year 1944, \$11,108.
Fiscal year 1945, \$164,695.
Fiscal year 1946, \$78,000.
Instruction, Navy:
Fiscal year 1944, \$2,151,364.
Fiscal year 1945, \$120,000.
Fiscal year 1946, \$6,000,000.
Libraries, Navy:
Fiscal year 1944, \$145,920.
Fiscal year 1945, \$1,693.
Fiscal year 1946, \$1,252,935.
Welfare and Recreation, Navy:
Fiscal year 1944, \$903,681.
Fiscal year 1946, \$4,124,000.

Naval Reserve Officers' Training Corps:
Fiscal year 1944, \$237,300.
Fiscal year 1945, \$88,337.

Miscellaneous expenses, Bureau of Naval Personnel:
Fiscal year 1944, \$3,009.
Fiscal year 1945, \$124.
Fiscal year 1946, \$20,000.

Naval Reserve:
Fiscal year 1944, \$54,961,800.
Fiscal year 1945, \$24,511,154.
Fiscal year 1946, \$38,262,000.

Pay, Naval Academy:
Fiscal year 1944, \$88,394.
Fiscal year 1945, \$93,796.

Maintenance, Naval Academy:
Fiscal year 1944, \$6,877.
Fiscal year 1945, \$2,529.

Naval Home, Philadelphia, Pennsylvania:
Fiscal year 1944, \$610.
Fiscal year 1945, \$1,250.

Naval Prison Farms and Prison Personnel:
Fiscal year 1944, \$10.
Fiscal year 1945, \$5,100.

Bureau of Ships:
Maintenance, Bureau of Ships:
Fiscal year 1942, \$43,907,135.
Fiscal year 1942-43, \$51,956,375.
Fiscal year 1943, \$64,050,351.
Fiscal year 1944, \$52,247,000.
Fiscal year 1945, \$118,474,000.
Fiscal year 1946, \$1,468,000,000.

Defense installations on merchant vessels, Navy, \$13,658,123.

Bureau of Ordnance:
Ordnance and ordnance stores, Navy:
Fiscal year 1944, \$551,226,542.
Fiscal year 1945, \$1,208,752,767.
Fiscal year 1946, \$2,575,225,500.

Bureau of Supplies and Accounts:
Pay, subsistence, and transportation, Navy, 1944, \$69,247,269.
Pay and subsistence of naval personnel, 1946, \$1,817,369,200.
Maintenance, Bureau of Supplies and Accounts, 1946, \$81,314,000.
Transportation of things, Navy, 1946, \$140,036,282.
Fuel, Navy, 1946, \$100,000,000.

Bureau of Medicine and Surgery:
Medical Department, Navy:
Fiscal year 1944, \$14,017,195.
Fiscal year 1945, \$12,238,592.
Fiscal year 1946, \$30,000,000.

Bureau of Yards and Docks:
Maintenance, Bureau of Yards and Docks:
Fiscal year 1944, \$2,431,496.
Fiscal year 1945, \$3,139,211.
Fiscal year 1946, \$5,000,000.

Public Works, Bureau of Yards and Docks, \$400,000,000, and the contract authorization for "Public Works, Bureau of Yards and Docks" available in the fiscal year 1946 is hereby reduced in the sum of \$1,248,510,540: *Provided*, That the rescission of \$400,000,000 of the appropriation shall not act to reduce further the contract authority: *Provided further*, That of this amount \$946,000,000 shall apply against advance base construction, material, and equipment: *Provided further*, That of the funds remaining available for advance base construction, material, and equipment, not to exceed \$6,000,000 shall be available toward reconstruction of the civilian economy of Guam.

Bureau of Aeronautics:

Aviation, Navy:

Fiscal year 1943, \$256,482,489.

Fiscal year 1943-44, \$193,929,557.

Fiscal year 1944, \$811,987,405.

Fiscal year 1945, \$1,468,753,102.

Fiscal year 1946, \$1,359,367,650, and subappropriations under this head are hereby decreased as follows: (1) New construction and procurement of aircraft and equipment, spare parts, and so forth, from "\$799,128,500" to "\$128,116,900", (2) replacement of navigational and radio equipment for aircraft in service, and so forth, from "\$168,808,200" to "\$44,934,000", and (3) maintenance, repair, and operation of aircraft factory, air stations, and so forth, from "\$1,431,840,800" to "\$800,374,950"; the subappropriation "continuing experiments and development work, and so forth," is hereby increased from "\$81,272,500" to "\$148,256,500"; and the unobligated portion of the contract authorization provided under this head is hereby repealed.

Marine Corps:

Pay, Marine Corps:

Fiscal year 1944, \$40,521,480.

Fiscal year 1945, \$10,000,000.

Fiscal year 1946, \$69,913,260.

Pay of civil force, Offices of Commandant of Marine Corps and

Director of Personnel:

Fiscal year 1944, \$358.

Fiscal year 1945, \$174.

Pay of civil force, Office of Paymaster General, Marine Corps:

Fiscal year 1944, \$330.

Fiscal year 1945, \$118.

Pay of civil force, Office of Quartermaster General, Marine Corps:

Fiscal year 1944, \$844.

Fiscal year 1945, \$1,059.

General expenses, Marine Corps:

Fiscal year 1944, \$79,787,482.

Fiscal year 1945, \$56,737,554.

Fiscal year 1946, \$307,750,000.

Increase and replacement of naval vessels:

Increase and replacement of naval vessels, construction and machinery, \$732,104,151.

Increase and replacement of naval vessels, armor, armament and ammunition, \$276,876,967.

Increase and replacement of naval vessels, emergency construction, \$38,385,489: *Provided*, That the balances remaining of appropriations under "Increase and replacement of naval vessels" shall not be available for the period of the fiscal year 1946 subsequent to October 16, 1945, for beginning the construction of any new vessels, except, not to exceed \$24,100,000 may be available during the fiscal year 1946 against the construction of five advanced type combatant vessels and seventeen minor craft.

Repair facilities, Navy:

Repair facilities, Navy, \$38,266,050, and the contract authorization for "Repair facilities, Navy", available in the fiscal year 1946 is hereby reduced in the sum of \$27,562,131.

Coast Guard:

Salaries, Office of Commandant, United States Coast Guard:

Fiscal year 1944, \$219.

Fiscal year 1945, \$133,293.

Pay and allowances, Coast Guard:

Fiscal year 1944, \$35,006,326.

Fiscal year 1945, \$8,658,922.

Fiscal year 1946, \$80,000,000.

General expenses, Coast Guard:

Fiscal year 1944, \$631,865.

Fiscal year 1945, \$1,289,896.

Fiscal year 1946, \$20,000,000.

Civilian employees, Coast Guard:

Fiscal year 1944, \$109,654.

Fiscal year 1945, \$200,633.

Establishing and improving aids to navigation, Coast Guard, \$346,000.

Acquisition of vessels and shore facilities, Coast Guard, \$2,741,000.

Retired pay, former Lighthouse Service, Coast Guard:

Fiscal year 1944, \$73,320.

Fiscal year 1945, \$48,109.

Salaries, Merchant Marine Inspection, Coast Guard, 1945, \$25,536.

Salaries and expenses, Merchant Marine Inspection, Coast Guard:

Fiscal year 1944, \$899,401.

Fiscal year 1945, \$373,270.

Emergency construction, vessels and shore facilities, Coast Guard (Navy), \$231,000.

Special projects, vessels, Coast Guard (Navy), \$127,000.

Special projects, aids to navigation, Lighthouse Service, Coast Guard (Navy), \$28,699.

Special projects, aids to navigation, Coast Guard (Navy), \$556,000.

NAVY DEPARTMENT

Salaries:

Salaries, Office of Secretary of the Navy:

Fiscal year 1944, \$78.

Fiscal year 1945, \$5,330.

Salaries, General Board, Navy Department:

Fiscal year 1944, \$3,826.

Fiscal year 1945, \$8,775.

Salaries, Naval Examining and Retiring Boards:
Fiscal year 1944, \$1,536.
Fiscal year 1945, \$5,662.

Salaries, Office of Naval Records and Library:
Fiscal year 1944, \$879.
Fiscal year 1945, \$7,035.

Salaries, Office of Judge Advocate General, Navy:
Fiscal year 1944, \$5,312.
Fiscal year 1945, \$36.

Salaries, Office of Chief of Naval Operations:
Fiscal year 1944, \$787.
Fiscal year 1945, \$731.

Salaries, Board of Inspection and Survey, Navy Department:
Fiscal year 1944, \$3,452.
Fiscal year 1945, \$2,893.

Salaries, Office of Director of Naval Communications:
Fiscal year 1944, \$125.
Fiscal year 1945, \$18,647.

Salaries, Office of Naval Intelligence:
Fiscal year 1944, \$2,932.
Fiscal year 1945, \$923.

Salaries, Hydrographic Office:
Fiscal year 1944, \$176,696.
Fiscal year 1945, \$16,357.

Salaries, Naval Observatory:
Fiscal year 1944, \$38.
Fiscal year 1945, \$1,117.

Salaries, Bureau of Ships:
Fiscal year 1944, \$2.

Salaries, Bureau of Ordnance:
Fiscal year 1944, \$322.
Fiscal year 1945, \$151.

Salaries, Bureau of Supplies and Accounts:
Fiscal year 1944, \$2,992.
Fiscal year 1945, \$2,414.

Salaries, Bureau of Medicine and Surgery:
Fiscal year 1944, \$4,578.
Fiscal year 1945, \$2,854.

Salaries, Bureau of Yards and Docks:
Fiscal year 1944, \$94.

Salaries, Bureau of Aeronautics:
Fiscal year 1944, \$46.

Contingent expenses:
Contingent expenses, Navy Department, 1944, \$10,322.
Contingent expenses, Navy Department, 1946:
The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,500,000".
Printing and binding, Navy Department, 1946:
The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$10,500,000".

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1944, \$289,839.

Fiscal year 1945, \$94,942.

Fiscal year 1946, \$413,000.

Contingent and miscellaneous expenses, Naval Observatory:

Fiscal year 1944, \$572.

Fiscal year 1945, \$40.

GENERAL PROVISIONS

Provisions of law prohibiting the payment of compensation to any person not a citizen of the United States shall not apply to personnel under the Naval Establishment during the fiscal year ending June 30, 1946.

Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind one dress blue uniform and overcoat to each enlisted man in the naval service upon his return to the United States from sea and foreign shore duty for separation from the naval service upon the sworn statement of such enlisted man that these articles of clothing are not now in his possession by reason of compliance with orders of higher naval authority or other exigencies of the service beyond his control and that no claim for reimbursement will be filed for the value of such articles so replaced: *Provided*, That the value of such articles of clothing shall be charged to the clothing and small-stores fund. The authority contained herein shall terminate on September 30, 1946.

Personnel of the Naval Reserve, not qualified for sea duty, will, upon their application, be placed on inactive duty if surplus to requirements.

The dependents and household effects of such civilian and naval personnel of the Naval Establishment (without regard to rank or grade) on duty at locations outside the continental limits of the United States, or in Alaska, as may be determined upon by the Secretary of the Navy, may prior or subsequent to the issuance of orders for the relief of such personnel from their stations, or subsequent to the discharge or release of such personnel from active service, be moved (including packing and unpacking of household effects) from such locations outside the continental limits of the United States, or in Alaska, to such locations as may be designated by such personnel, or dependents concerned, by the use of either Government or commercial means of transportation, and later from such locations to the duty station to which such personnel may be ordered, and current appropriations of the Navy Establishment available for travel and transportation may be used for this purpose. In lieu of the transportation in kind authorized for dependents, the Secretary of the Navy may authorize the payment in money of amounts equal to the commercial transportation costs (including taxes if paid), for the whole or such part of the travel for which transportation in kind is not furnished when such travel shall have been completed.

In all, title III, \$14,370,159,964.

GENERAL PROVISION

The officer and enlisted personnel strengths of the Army, Navy, Marine Corps, and Coast Guard shall be demobilized at a rate not less than would be necessary to keep within the amounts available for their pay in consequence of the provisions of this Act, unless the President otherwise shall direct.

Effective December 1, 1945, no military or naval personnel shall receive during the remainder of the current fiscal year aviation pay unless the person affected is assigned to duty on air activities prescribed by the Secretary of War or the Secretary of the Navy as requiring regular and frequent participation in aerial flights, or is required to participate regularly and frequently in aerial flights in order to continue his fitness for his primary technical skill: *Provided*, That in addition, on or before January 1, annually, the Secretaries of War and Navy, respectively, shall certify to the Congress by rank and age group the number of such officers above the rank of major of the Army or lieutenant commander of the Navy, with the average monthly flight pay authorized by law to be paid to such officers during the six-month period preceding the date of the report: *Provided further*, That the Secretary of War and the Secretary of the Navy shall on or before February 28, 1946, submit to the Congress a joint recommendation for revision of the Pay Readjustment Act of 1942, as amended, including but not restricted to recommendations with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances.

SEC. 301. This Act may be cited as the "First Supplemental Surplus Appropriation Rescission Act, 1946".

Approved February 18, 1946.

Miscellaneous
DATA

CIRCULAR }
No. 315 }

WAR DEPARTMENT
WASHINGTON 25, D. C., 13 October 1945

Effective until 13 April 1947 unless sooner rescinded or superseded

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I. ARMY BAND. 1. Vacancies exist in The Army Band stationed at Fort Myer, Virginia. Individual enlisted men may submit applications stating their qualifications and references through channels to the Commanding General, Military District of Washington.

2. Requests for transfer of selected applicants or for a 10-day period of temporary duty at Fort Myer, Virginia, before final selections are made, will be initiated through channels by the Commanding General, Military District of Washington.
(AG 322 (25 Sep 45))

II. ARMY REGULATIONS. 1. Pending the printing of changes in AR 850-5, 15 February 1945, paragraph 11c of those regulations, is changed as follows:

11c. When a vehicle is permanently transferred to any agency not under the jurisdiction of the War Department, or is sold, all markings prescribed herein will be removed or thoroughly obliterated prior to the physical transfer provided, however, that crated or boxed vehicles may be physically transferred to a Disposal Agency (established pursuant to the Surplus Property Act of 1944), or a purchaser therefrom, without such removal or obliteration of markings, whenever the Disposal Agency agrees that it will remove or obliterate the markings or will require purchasers from the Disposal Agency to take such action.

2. Pending the printing of changes in AR 850-15, 1 August 1945, paragraph 9b, of those regulations is changed as follows:

9b. All War Department markings, including registration numbers, on motor vehicles, parts and accessories, transferred to other departments or agencies of the Government or sold, will be obliterated; provided, however, that crated or boxed vehicles may be physically transferred to a Disposal Agency (established pursuant to the Surplus Property Act of 1944), or a purchaser therefrom, without such removal or obliteration of markings, whenever the Disposal Agency agrees that it

will remove or obliterate the markings or will require purchasers from the Disposal Agency to take such action.

(AG 400.161 (10 Oct 45))

III. ARTIFICIAL EYE PROGRAM. Paragraph 3a(7), section I, WD Circular 398, 1944, as amended by section III, WD Circular 210, 1945, is further amended as follows:

3a(7) Seventh Service Command.

O'Reilly General Hospital.

Fitzsimons General Hospital.

(AG 443 (1 Oct 45))

IV. AUXILIARY MILITARY POLICE. So much of paragraph 2, section V, WD Circular 278, 1945, as reads "Forms will be supplied by the Provost Marshal General" is changed to read "Certificate of Meritorious Conduct, WD AGO Form 19-80, 11 July 44, is available on requisition from adjutant general depots."

(AG 370.093 (10 Oct 45))

(V) CLEARANCES. 1. Army regulations require that property clearances will be obtained by individuals prior to departure from a duty station. Current instructions for the demobilization program contemplate that there will be no delay of personnel at any station or at a separation center for the purpose of obtaining property clearances. It is therefore essential for the protection of the interests of the Government and the interests of all individuals concerned that all matters in connection with clearance of property accountability and responsibility be expeditiously and currently handled, and settlement reached so far as practicable prior to impending departure of any of the individuals concerned. Commanders of all echelons, and particularly installation commanders, will immediately review the situation within their respective commands and take such steps as may be necessary to insure the following:

a. That officers required to maintain individual clothing and equipment records of enlisted persons, accountable supply officers who have issued property on memorandum receipt, and individuals responsible for property issued to them, immediately ascertain and keep themselves at all times advised as to whether there is loss, damage, or destruction of the property for which they are accountable or responsible and for which it will be necessary to provide property vouchers; and that where such vouchers will be required that steps be taken currently and without delay to prepare and submit acceptable property vouchers. The provisions of paragraph 5b, AR 35-6640, will not be construed as authorizing delay for 30 days or any other period of time in the initiation of reports of survey.

b. That the provisions of paragraph 60, TM 14-904, concerning direct payment for loss or damage for which liability is admitted, be utilized as fully as possible as a means of effecting settlement for property loss or damage, with the view of reducing the volume of unnecessary reports of survey.

c. That responsible officers, appointing authorities, surveying officers, survey boards, and installation commanders are properly instructed and advised to the end that requirements of WD letter, (AG 141.8 (4 Sep 45) OB-S-SPFCI-M), 7 September 1945, Deficiencies in Reports of Survey, addressed to the commanding general of each of the major commands and of each service command, and distributed to all installation commanders, are fully complied with, and that where reports of survey are required, their processing at all stages will be accomplished with as much celerity as possible. It should be the objective

that reports of survey will not be held at any point without action, and that each office completes its action within 24 hours. Where practicable hand processing should be utilized rather than transmission through message centers.

d. That each individual against whom a pecuniary charge is contemplated will be afforded an opportunity to examine the report of survey and make reply as provided in paragraph 114e, TM 14-904. Prompt and current action in the initiation and processing of reports of survey will reduce to a minimum the requirement for off-station correspondence for this purpose. In those cases where it is impracticable to refer the report of survey to the responsible individual in person, air mail will be utilized wherever such service will effect a saving in time, and all concerned will treat the correspondence as "Immediate Action."

e. That station transportation officers and officers receiving shipments of property will take such steps as may be necessary to provide that Reports of Survey (WD AGO Form 15-1) when required in connection with discrepancies in shipments are promptly prepared and processed to the end that the demobilization program will not operate to prevent the obtaining of required information prior to departure from station of individuals having knowledge of the facts.

2. Commanding generals of service commands will be responsible that reports of survey requiring action at their respective headquarters are likewise reviewed and processed without avoidable delay due to interoffice routine normally required.

3. Inspectors general assigned to the staffs of installation commanders and those visiting installations will include in their inspections a review of the degree of celerity achieved in the handling of reports of survey and of accomplishment of property clearances, and will make recommendation and report concerning situations indicating unnecessarily delayed action.

(AG 141.8 (9 Oct 45))

VI. CONTRACTS. 1. This circular, which outlines the policy for handling requests for information concerning settlements of terminated war contracts made with various contractors, has been concurred in by representatives of the principal contracting agencies including the War Department, the Navy Department, the Maritime Commission, the Reconstruction Finance Corporation, Treasury Procurement, and the Smaller War Plants Corporation, and is approved by the Office of Contract Settlement.

2. Records of individual contract settlements will not be made available to anyone other than the representatives of authorized Government agencies such as Committees of Congress, the Office of Contract Settlement, the Department of Justice, and the General Accounting Office for the following reasons:

a. Records of contract settlements contain confidential information obtained from the contractor and may contain information that, in connection with the placement and renegotiation of contracts, has been regarded as confidential. This is particularly true of information on an individual manufacturer's cost of particular products or processes. Disclosure of such information would violate a previously established procurement policy on the basis of which manufacturers had made such data available to the Government in wartime. This procurement policy is comparable to the policy set up by statute which prohibits the Bureau of Internal Revenue from disclosing individual tax returns to unauthorized individuals.

b. Any member of the public who has reason to believe that a particular contract settlement is being, or has been, improperly handled

should invoke the procedures set up by the Contract Settlement Act. The Office of Contract Settlement, the Department of Justice, the General Accounting Office, and investigatory groups within each contracting agency have broad powers of investigation and action. Information regarding suspected wrongdoing can therefore be submitted to any one of these agencies as the basis for an investigation of any contract settlement.

(AG 160 (8 Oct 45))

VII. FIELD RATION. 1. The following paragraphs of WD Circular 158, 1944, are amended as follows:

16. **ISSUES ON A MEAL BASIS.** In exceptional cases and only where the numbers present for each of the several meals are entirely disproportionate, the commanding general of the air force, service command, or department concerned may authorize the issues to be made on a meal basis, provided the total value of all subsistence so issued during the calendar month does not exceed the figure obtained by multiplying 1/3 of the total number of meals authorized during the same month by the current value of the garrison ration at the same station.

17. **PERCENTAGE DEDUCTIONS.** Rescinded.

20. **RATION RECORD.** a. The headquarters or other agency charged with the responsibility of consolidating the information received in the Daily Ration Request will maintain for each messing unit an informal monthly Ration Record for the purpose of determining the net number of rations to be drawn for consumption on a specified subsequent date. The record will provide a means for computing over and under issues, and for recording the number of meals furnished for which cash reimbursement to the Government has been or will be made. Under issues may be used to offset prior over issues. Deductions for over issues may be distributed over a period of several days, but cumulative over and under issues should be brought into agreement by the last of the month. If, because of unusual circumstances, this cannot be done the cumulative over or under issue figures will be carried forward to the first day of the following month and an effort made to effect an early adjustment. Over issues will not be allowed to accumulate so that an under issue made for the purpose of reducing accumulated over issues to zero will interfere with the efficient operation of the mess.

b. When the figure "Estimated Number of Rations Required" entered in section I of the Daily Ration Request is materially revised as a result of prior over and under issues, the unit commander concerned will be notified immediately of the number of rations which will be requested for his unit.

c. Division commanders and commanders designated in paragraph 22 to appoint officers to draw field rations in bulk will cause inspections of records to be made for the purpose of determining their completeness and accuracy with particular attention to necessary remedial action to avoid accumulation of over issues.

25. **OFFICERS' MESSSES.** a. Officers' messes may be organized and operated under the provisions of AR 210-60.

b. When desirable, officers' field ration messes may be organized. For the purpose of operating such a mess, a separate unit will be established. The officer in charge of the mess will submit the Daily Ration Request in duplicate; sections I, II, and IV will be completed, while section III will be left blank. A Ration Record will be maintained for the mess (par. 20), and the mess will be required to turn in excess issues (par. 23). Reimbursement will be made in the manner prescribed in paragraph 28.

2. References to percentage deductions contained in paragraph 114, TM 10-205, Mess Management and Training, 3 October 1944, are rescinded.

3. The percentage deductions shown in figures 21 and 22, TM 10-215, Sales Commissary Operation, 1 November 1944, are deleted.
(AG 430.2 (4 Sep 45))

VIII. FUEL AND POWER. 1. All commanders will insure that proper measures are taken to conserve all types of fuel and electricity.

2. An effective fuel conservation program will be maintained incorporating the following minimum measures:

a. Buildings will not be heated above 70°F. except where technical usage requires a higher temperature.

b. Gas and oil burning equipment will be turned off and coal-fire equipment will be maintained in a banked condition during night hours, when windows are open, or when buildings are temporarily not in active use. Equipment may be operated to a limited extent as required to prevent freezing of water facilities.

c. Burners on ranges will be turned off when not in use.

d. Automatic water heating equipment will be set at minimum temperatures consistent with use. Use of hot water will be carefully supervised to prevent waste.

e. Care will be exercised in the storage and handling of coal to prevent waste and the introduction of foreign material. Gas and oil lines will be properly maintained to prevent loss through leakage.

3. Proper operation of hand-fired coal heating equipment will be emphasized. Operators will be instructed in the proper method of firing, and in the proper variation of drafts and fuel bed thickness required to suit weather conditions. During mild weather a sufficient layer of ashes will be maintained on grates to keep the fire under control and to avoid overheating. WD AGO Form 5-92 (Certificate of Proficiency), will be issued to operators who successfully complete the course of instruction in proper firing methods.

4. Unauthorized persons will not tamper with heating equipment or controls.

5. An effective electrical program will be maintained incorporating the following minimum conservation measures:

a. Buildings will not be lighted to a higher intensity than the design standard. Unauthorized lamp sizes and unauthorized appliances will be eliminated.

b. Hall, entrance, and latrine lights will be reduced to minimum size and number.

c. All lights, motors, and appliances will be shut off when not required.

d. Distribution circuits or individual transformers will be de-energized when not actually required.

e. Large motors and other heavy electrical loads will, so far as practical, be operated at off-peak periods.

f. Street, area, perimeter, and flood lighting will be reduced to lowest practical level and effectively controlled.

6. Post commanders will take necessary action to effect compliance with the above measures to conserve fuel and electricity, designating a key officer, if necessary, to supervise checking and insure enforcement. Unit commanders are responsible for accomplishment of fuel conservation by their units and will, if necessary, appoint officers to insure the desired effectiveness.

7. Section IV, WD Circular 406, 1944, pertaining to the foregoing circular is rescinded.

(AG 463 (27 Sep 45))

IX. JAN CIRCULAR. With the concurrence of the Secretary of the Navy, Joint War and Navy Departments Circulars Numbers 1, 2, and 3,

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3 November 1943, on internal security, are rescinded. The Master Inspection Responsibility List is abolished.
(AG 380.01 (11 Oct 45))

X. LETTER. The classification of the following War Department letters is reduced as follows:

1. FROM SECRET TO RESTRICTED.

a. AG 471 (13 Jan 41) M-C-M, 24 January 1941, Reduction of Training Allowances of .30 and .50 Caliber Ammunition.

b. AG 471 (6 Mar 41) M-C-M, 28 March 1941, Training Allowance, .30 Caliber Ammunition.

c. AG 471 (14 Apr 41) M-C-M, 18 April 1941, Change in Ammunition Training Allowances.

d. AG 471 (9 May 41) MC-C-M, 4 June 1941, Ammunition Requirements for the 81-mm Mortar.

e. AG 471 (22 May 41) MC-C-M, 3 July 1941, Allowances of Training Ammunition for Officer Candidate School.

f. AG 471 (23 Oct 41) MC-C-M, 27 October 1941, Allowance of Training Ammunition.

2. FROM CONFIDENTIAL TO RESTRICTED.

a. AG 333 (26 Apr 42) MC-C-M, 19 May 1942, Safeguarding Ammunition.

b. AG 471 (16 Jun 41) MC-C-M, 26 June 1941, Ammunition for Training Individuals and Units of the Army of the United States.

c. AG 471 (16 Apr 35) (Misc) C-M, 31 May 1935, Special Caliber .30 Ammunition of Limited Range of Target Practice.

d. AG 321.94 (28 Mar 35) (Misc) C-M, 25 May 1935, Chemical Warfare Training and Use of Chemical Troops.

(AG 312.1 (1 Oct 45))

XI. REPORT OF SEPARATION. 1. Agencies charged with preparation of reports of separation on WD AGO forms of the 53 series are not producing legible carbon copies. Service command copies are used by machine records units to prepare separation cards which serve as a basis for statistical data compiled in the War Department. It is therefore essential that this copy be prepared accurately and legibly and forwarded to the appropriate service command as prescribed in paragraph 20, TM 12-236.

2. To insure preparation of legible carbon copies, the following action will be taken:

a. Inspect electric typewriters for proper pressure control adjustment.

b. Insure that personnel not familiar with the operation of electric typewriters are properly instructed in their use.

c. Do not use soft platens on standard typewriters.

d. Inspect copies of each completed form. Retype whenever illegible carbon copies are found.

(AG 220.8 (26 Sep 45))

XII. RESCISSION. The following War Department publications are rescinded:

1. Section VIII, WD Circular 186, 1945, pertaining to the supply of spectacles to redeployed troops at assembly stations.

(AG 413.75 (4 Oct 45))

2. WD Pamphlet 12-11, March 1945, Fixed Text EFM and Sender's Composition Cable or Radio Messages.

(AG 311 (9 Oct 45))

XIII. TM 11-1566. Classification of TM 11-1566, 15 March 1945, Radar Set AN/MPG-1 and Radar Set AN/FPG-1, Service Manual, is reduced from CONFIDENTIAL to RESTRICTED.

(AG 100.5 (5 Oct 45))

XIV. TEST. 1. Paragraph 7a(2), section V, WD Circular 102, 1945, is rescinded and the following substituted therefor:

(2) Reading and Vocabulary, RV-3a, Test Booklet, WD AGO PRT-481.

2. WD AGO PRT-231, Reading and Vocabulary, RV-3a, Test Booklet, is obsolete and has been superseded by WD AGO PRT-481, Reading and Vocabulary, RV-3a, Test Booklet. All copies of WD AGO PRT-231 will be destroyed.

(AG 220.01 (24 Sep 45))

BY ORDER OF THE SECRETARY OF WAR:

OFFICIAL:

EDWARD F. WITSELL

Major General

Acting The Adjutant General

G. C. MARSHALL

Chief of Staff

[PUBLIC LAW 375—79TH CONGRESS]

[CHAPTER 248—2D SESSION]

[S. 1757]

AN ACT

To amend the Surplus Property Act of 1944 with reference to veterans' preference, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 16 of the Surplus Property Act of 1944 is amended to read as follows:

“DISPOSITIONS TO VETERANS

“SEC. 16. (a) The Administrator shall prescribe regulations to effectuate the objectives of this Act to aid veterans in the acquisition of surplus property, in appropriate quantities and types, to enable them to establish and maintain their own small business, professional, or agricultural enterprises. Disposals of surplus property (except real property) to veterans under this subsection shall be given priority over all other disposals of property provided for in this Act except transfers to Government agencies under section 12.

“(b) Notwithstanding the provisions of section 12 of this Act, the Administrator may cause to be set aside or otherwise to be made available quantities and types of any surplus property, except real property, which he determines to be appropriate for exclusive disposal to veterans for their own personal use, and to enable them to establish and maintain their own small business, professional, or agricultural enterprises. The Administrator shall prescribe regulations designed to achieve the equitable distribution of such surplus property among veterans. In selecting any types or quantities of surplus property for disposal in accordance with the provisions of this subsection, the Administrator shall give due consideration to the availability of adequate facilities for and the costs of the distribution of such property. The Administrator shall from time to time cause to be compiled and widely publicized information as to the types and quantities of such surplus property which has or will become available within a given period of time for exclusive disposal to veterans in accordance with the provisions of this subsection.

“(c) The Administrator shall prescribe a reasonable time of not less than 15 days after public notice during which property offered to veterans under this section shall be held for disposal to them.”

SEC. 2. Section 12 (a) of the Surplus Property Act of 1944 is amended to read as follows:

“(a) It shall be the duty of the Administrator to facilitate the transfer of surplus property from one Government agency to other Government agencies for their own use and not for transfer or disposition; and the transfer of surplus property under this section shall be given priority over all other disposals provided for in this Act, except disposals to veterans of property reserved exclusively for veterans under

subsection (b) of section 16 of this Act. The Administrator shall prescribe a reasonable time within which Government agencies shall exercise the priority provided by this subsection, but the time so fixed shall not exceed twenty days from the time public notice is given of the availability of the surplus property for disposal to Government agencies."

SEC. 3. Section 12 (c) of the Surplus Property Act of 1944 is amended to read as follows:

"(c) The disposal agency responsible for any such property shall transfer it to the Government agency acquiring it at the fair value of the property as fixed by the disposal agency, under regulations prescribed by the Administrator, unless transfer without reimbursement or transfer of funds is authorized under subsection (d) of this section."

SEC. 4. Section 12 of the Surplus Property Act of 1944 is amended by adding a new subsection (d) to read as follows:

"(d) Notwithstanding the provisions of section 34 (a) of this Act, no Government agency may transfer any property to any other Government agency without reimbursement or transfer of funds under authority of any law approved prior to June 22, 1944. Any disposal agency may transfer surplus property to a Government agency without reimbursement or transfer of funds whenever a transfer on such terms by the owning agency (by which such property was declared surplus) would be authorized by any law approved subsequent to June 21, 1944, to be made to the Government agency desiring such property."

SEC. 5. Section 13 (f) of the Surplus Property Act of 1944 is amended to read as follows:

"(f) The disposal of surplus property under this section to States and political subdivisions and instrumentalities thereof shall be given priority over all other disposals of property provided for in this Act, except transfers to Government agencies under section 12 and disposals to veterans under section 16 and purchases made under subsection (e) of section 18: *Provided*, That the Administrator may prescribe a reasonable time during which such priority shall be exercised."

SEC. 6. The last sentence of subsection (e) of section 18 thereof is hereby amended to read as follows: "The disposal of surplus property under this subsection shall be given priority immediately following transfers to other Government agencies under section 12 and disposals to veterans under section 16. The provisions of subsection (c) of section 12 shall be applicable to purchases made under this subsection."

Approved May 3, 1946.

OFFICE OF STRATEGIC SERVICES -- By Military Order of June 13, 1942, the office of Coordinator of Information (see appendix A), exclusive of foreign information activities transferred to the Office of War Information by Executive Order 9182 of June 13, 1942, was designated Office of Strategic Services and transferred to the jurisdiction of the Joint Chiefs of Staff. Functions as modified by Executive Order 9312 of March 9, 1943, were to collect and analyze such strategic information as required by the Joint Chiefs of Staff for military operations and planning and conducting special operations not assigned to other Government agencies. Executive Order 9621 of September 20, 1945, provided for the termination of the Office of Strategic Services, effective October 1, 1945, and for the distribution of its functions to the Department of State and the War Department.

IMMEDIATE RELEASE

SEPTEMBER 20, 1945

EXECUTIVE ORDER 9621

TERMINATION OF THE OFFICE OF STRATEGIC SERVICES
AND DISPOSITION OF ITS FUNCTIONS

By virtue of the authority vested in me by the Constitution and Statutes, including Title I of the First War Powers Act, 1941, and as President of the United States and Commander in Chief of the Army and the Navy, it is hereby ordered as follows:

1. There are transferred to and consolidated in an Interim Research and Intelligence Service, which is hereby established in the Department of State, (a) the functions of the Research and Analysis Branch and of the Presentation Branch of the Office of Strategic Services (provided for by the Military Order of June 13, 1942), excluding such functions performed within the countries of Germany and Austria, and (b) those other functions of the Office of Strategic Services (hereinafter referred to as the Office) which relate to the functions of the said Branches transferred by this paragraph. The functions of the Director of Strategic Services and of the United States Joint Chiefs of Staff, relating to the functions transferred to the Service by this paragraph, are transferred to the Secretary of State. The personnel, property, and records of the said Branches, except such thereof as is located in Germany and Austria, and so much of the other personnel, property, and records of the Office and of the funds of the Office as the Director of the Bureau of the Budget shall determine to relate primarily to the functions transferred by this paragraph, are transferred to the said Service. Military personnel now on duty in connection with the activities transferred by this paragraph may, subject to applicable law and to the extent mutually agreeable to the Secretary of State and to the Secretary of War or the Secretary of the Navy, as the case may be, continue on such duty in the Department of State.

2. The Interim Research and Intelligence Service shall be abolished as of the close of business December 31, 1945, and the Secretary of State shall provide for winding up its affairs. Pending such abolition, (a) the Secretary of State may transfer from the said Service to such agencies of the Department of State as he shall designate any function of the Service, (b) the Secretary may curtail the activities carried on by the Service, (c) the head of the Service, who shall be designated by the Secretary, shall be responsible to the Secretary or to such other officer of the Department of State as the Secretary shall direct, and (d) the Service shall, except as otherwise provided in this order, be administered as an organizational entity in the Department of State.

3. All functions of the Office not transferred by paragraph 1 of this order, together with all personnel, records, property, and funds of the Office not so transferred, are transferred to the Department of War; and the Office, including the office of the Director of Strategic Services, is terminated. The functions of the Director of Strategic Services and of the United States Joint Chiefs of Staff, relating to the functions transferred by this paragraph, are transferred to the Secretary of War. Naval personnel on duty with the Office in connection with the activities transferred by this paragraph may, subject to applicable law and to the extent mutually agreeable to the Secretary of War and the Secretary of the Navy, continue on such duty in the Department of War. The Secretary of War shall, whenever he deems it compatible with the national interest, discontinue any activity transferred by this paragraph and wind up all affairs relating thereto.

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4. Such further measures and dispositions as may be determined by the Director of the Bureau of the Budget to be necessary to effectuate the transfer or redistribution of functions provided for in this order shall be carried out in such manner as the Director may direct and by such agencies as he may designate.

5. All provisions of prior orders of the President which are in conflict with this order are amended accordingly.

6. This order shall, except as otherwise specifically provided, be effective as of the opening of business October 1, 1945.

HARRY S. TRUMAN

THE WHITE HOUSE

September 20, 1945

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In connection with the executive order relating to termination of the Office of Strategic Services, the President today sent the following letter to Major General William J. Donovan, Director of Strategic Services:

My dear General Donovan:

I appreciate very much the work which you and your staff undertook, beginning prior to the Japanese surrender, to liquidate those wartime activities of the Office of Strategic Services which will not be needed in time of peace.

Timely steps should also be taken to conserve those resources and skills developed within your organization which are vital to our peacetime purposes.

Accordingly, I have today directed, by Executive order, that the activities of the Research and Analysis Branch and the Presentation Branch of the Office of Strategic Services be transferred to the State Department. This transfer, which is effective as of October 1, 1945, represents the beginning of the development of a coordinated system of foreign intelligence within the permanent framework of the Government.

Consistent with the foregoing, the Executive order provides for the transfer of the remaining activities of the Office of Strategic Services to the War Department; for the abolition of the Office of Strategic Services; and for the continued orderly liquidation of some of the activities of the Office without interrupting other services of a military nature the need for which will continue for some time.

I want to take this occasion to thank you for the capable leadership you have brought to a vital wartime activity in your capacity as Director of Strategic Services. You may well find satisfaction in the achievements of the Office and take pride in your own contribution to them. These are in themselves large rewards. Great additional reward for your efforts should lie in the knowledge that the peacetime intelligence services of the Government are being erected on the foundation of the facilities and resources mobilized through the Office of Strategic Services during the war.

Sincerely yours,

HARRY S. TRUMAN

The President today addressed the following letter to the Secretary of State:

My dear Mr. Secretary:

I have today signed an Executive order which provides for the transfer to the State Department of the functions, personnel, and other resources of the Research and Analysis Branch and the Presentation Branch of the Office of Strategic Services. The order also transfers the remaining activities of the Office of Strategic Services to the War Department and abolishes that Office. These changes become effective October 1, 1945.

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The above transfer to the State Department will provide you with resources which we have agreed you will need to aid in the development of our foreign policy, and will assure that pertinent experience accumulated during the war will be preserved and used in meeting the problems of the peace. Those readjustments and reductions which are required in order to gear the transferred activities and resources into State Department operations should be made as soon as practicable.

I particularly desire that you take the lead in developing a comprehensive and coordinated foreign intelligence program for all Federal agencies concerned with that type of activity. This should be done through the creation of an interdepartmental group, heading up under the State Department, which would formulate plans for my approval. This procedure will permit the planning of complete coverage of the foreign intelligence field and the assigning and controlling of operations in such manner that the needs of both the individual agencies and the Government as a whole will be met with maximum effectiveness.

Sincerely yours,

HARRY S. TRUMAN

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